

FEDERAL REGISTER

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Agencies in this issue—

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Civil Aeronautics Board
Consumer and Marketing Service
Education Office
Federal Aviation Agency
Federal Home Loan Bank Board
Federal Maritime Commission
Federal Power Commission
Fish and Wildlife Service
Interior Department
Internal Revenue Service
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Securities and Exchange Commission

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of the

Code of Federal Regulations

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Title 3—THE PRESIDENT

Executive Order 11236

ESTABLISHING THE PRESIDENT'S COMMISSION ON LAW ENFORCEMENT AND ADMINISTRATION OF JUSTICE

By virtue of the authority vested in me as President of the United States it is ordered as follows:

SECTION 1. *Establishment of Commission.* (a) There is hereby established the President's Commission on Law Enforcement and Administration of Justice (hereafter referred to as the "Commission").

(b) The Commission shall be composed of such members, not to exceed twenty, as the President shall appoint, one of whom shall be designated by the President as the chairman. The members and chairman of the Commission shall serve at the pleasure of the President.

(c) The President shall appoint an Executive Secretary, who shall receive such compensation as the President shall specify. The functions and duties of the Executive Secretary shall be prescribed by the Commission.

SEC. 2. *Functions of Commission.* The Commission shall:

(1) Inquire into the causes of crime and delinquency, measures for their prevention, the adequacy of law enforcement and administration of justice, and the factors encouraging respect or disrespect for law, at the national, State, and local levels, and make such studies, conduct such hearings, and request such information as it deems appropriate for this purpose.

(2) Develop standards and make recommendations for actions which can be taken by the Federal, State, and local governments, and by private persons and organizations, to prevent, reduce, and control crime and increase respect for law, including, but not limited to, improvements in training and qualifications of personnel engaged in law enforcement and related activities, improvements in techniques, organization, and administration of law enforcement activities, improvements in the administration of justice, improvements in correction and rehabilitation of convicted offenders and juvenile delinquents, promotion of better understanding between law enforcement officials and other members of the community, and promotion of greater respect for law throughout the community.

SEC. 3. *Executive Departments and Agencies; Judiciary.* The Attorney General, the Secretary of the Treasury, the Secretary of Health, Education, and Welfare, and the Director of the Office of Economic Opportunity each shall designate a representative to serve with the Commission as liaison. All executive departments and agencies shall cooperate with the Commission and furnish it such information and assistance, not inconsistent with law, as it may require in the performance of its functions and duties. The Commission shall consult, as it deems appropriate, with members of the Federal, State, and local judiciary and their assistants concerning matters of common interest.

SEC. 4. *Appointment of Committees.* The Chairman of the Commission, after consultation with the other members, and at such times as the Commission may deem appropriate, shall constitute Citizens Advisory Committees (hereafter referred to as the "Committees")

composed of persons (including persons from State and local governments and other public and voluntary organizations) who are authorities in professional or technical fields related to crime or juvenile delinquency, or persons representative of the general public who are leaders in activities concerned with crime or juvenile delinquency. The Committees, and persons who are members, shall serve at the pleasure of the Commission.

SEC. 5. *Functions of Committees.* The Committees shall furnish the Commission information, advice, and recommendations with respect to the functions set forth in section 2 of this order and shall engage in such other activities as the Commission may deem appropriate.

SEC. 6. *Compensation, Personnel, and Finance.* (a) Members of the Commission not otherwise employed by the United States shall receive \$100 per diem when engaged in the performance of duties pursuant to this order, and shall be allowed travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 55a; 5 U.S.C. 73b-2) for persons employed intermittently.

(b) The Commission is authorized to appoint and fix the compensation of such other personnel as may be necessary to enable it to carry out its functions.

(c) The Commission is authorized to obtain services, including the services of individuals as members of Committees, in accordance with the provisions of section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), at rates for individuals not to exceed \$100 per diem.

(d) All necessary expenses incurred in connection with the work of the Commission shall be paid from the "Special Projects" fund of the President or such other appropriated funds as may be available for the purposes of the Commission.

SEC. 7. *Administrative Services.* The General Services Administration shall provide administrative services for the Commission on a reimbursable basis.

SEC. 8. *Reports to the President and Termination.* The Commission shall make reports and recommendations to the President from time to time as it deems suitable and shall present a final report and recommendations not later than eighteen months from the date of this order. The Commission shall terminate not later than ninety days after presenting such final report and recommendations.

LYNDON B. JOHNSON

THE WHITE HOUSE,
July 23, 1965.

[F.R. Doc. 65-8028; Filed, July 27, 1965; 10:35 a.m.]

Reorganization Plan No. 3 of 1965

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, May 27, 1965, pursuant to the provisions of the Reorganization Act of 1949, 63 Stat. 203, as amended.¹

LOCOMOTIVE INSPECTION

SECTION 1. *Transfer of functions to Interstate Commerce Commission.* Except to the extent inconsistent with the provisions of section 2(b) hereof, all functions now vested in the director of locomotive inspection, assistant directors of locomotive inspection, and district inspectors of locomotives, including the functions so vested by the Act of February 17, 1911, ch. 103, 36 Stat. 913, as amended (45 U.S.C. 22-29; 30-34), and by section 2 of the Act of March 4, 1915, ch. 169, 38 Stat. 1192, as amended (45 U.S.C. 30), are hereby transferred to the Interstate Commerce Commission.

SEC. 2. *Abolitions.* (a) All offices of director of locomotive inspection, assistant director of locomotive inspection, and district inspector of locomotives, provided for in the Acts referred to above (45 U.S.C. 22-34), are hereby abolished. The Interstate Commerce Commission shall make such provisions as it deems to be necessary respecting the winding up of any outstanding affairs of the officers whose offices are abolished by the provisions of this reorganization plan.

(b) The functions with respect to dividing the territory comprising the several States and the District of Columbia into fifty locomotive boiler-inspection districts, vested in the director of locomotive inspection by section 4 of the above-mentioned Act of February 17, 1911 (45 U.S.C. 26), are hereby abolished.

SEC. 3. *Performance of functions.* The Interstate Commerce Commission may from time to time make such provisions as it shall deem appropriate authorizing the performance by any officer, employee, or organizational entity under the Commission of any function transferred to the Commission by the provisions of section 1 of this reorganization plan, but the Commission may not make any such provision which is in conflict with section 17(2) of the Interstate Commerce Act.

SEC. 4. *Records, property and funds.* (a) Consonant with section 4 of the Reorganization Act of 1949, as amended, and this reorganization plan, the Interstate Commerce Commission shall make such provisions as it shall deem necessary respecting the transfer or other disposition of the records and property which are affected by a reorganization contained in this reorganization plan.

(b) Unexpended balances of appropriations, allocations, and other funds, available or to be made available for the Interstate Commerce Commission for expenses necessary to carry out locomotive inspection activities, shall continue to be available therefor under this reorganization plan.

(c) Such further measures and dispositions as the Director of the Bureau of the Budget shall deem to be necessary in order to effectuate the foregoing provisions of this section shall be carried out in such manner as he shall direct and by such agencies as he shall designate.

SEC. 5. *Personnel.* (a) The Interstate Commerce Commission may employ and compensate such personnel as may be necessary to carry out the functions transferred to the Commission by this reorganization plan under the classified civil service and pursuant to the Classification Act of 1949, as amended.

¹ Effective July 27, 1965, under the provisions of section 6 of the act; published pursuant to section 11 of the act (63 Stat. 203; 5 U.S.C. 133z).

(b) The Interstate Commerce Commission shall appoint to a position under the classified civil service, without change in grade or salary, each person who immediately prior to the taking effect of this reorganization plan held the office of district inspector of locomotives. Such appointments shall be deemed to be made without any break in the service of any individual concerned and the provisions of this reorganization plan shall not be deemed to effect an involuntary separation of any district inspector of locomotives for the purposes of section 6(d) of the Civil Service Retirement Act (5 U.S.C. 2256(d)) or for the purposes of any other provision of law.

[F.R. Doc. 65-7398; Filed, July 27, 1965; 8: 49 a.m.]

Reorganization Plan No. 4 of 1965

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, May 27, 1965, pursuant to the provisions of the Reorganization Act of 1949, 63 Stat. 203, as amended.¹

ABOLITION OF CERTAIN COMMITTEES, COUNCILS, AND BOARDS**PART I**

SECTION 1. *Transfer of functions.* All functions of each of the following-named bodies, together with all functions of the Chairman and of other officers of each thereof, are hereby transferred to the President of the United States:

(a) The National Housing Council, provided for in section 6 of Reorganization Plan No. 3 of 1947 (61 Stat. 955) as affected by (i) section 502(a) of the Housing Act of 1948 (62 Stat. 1283; 12 U.S.C. 1701c), (ii) section 603 of the Housing Act of 1949 (63 Stat. 440; 12 U.S.C. 1701i) and by (iii) section 615 of the Defense Housing and Community Facilities and Services Act of 1951 (65 Stat. 317; 12 U.S.C. 1701i-1).

(b) The National Advisory Council on International Monetary and Financial Problems, provided for in section 4 of the Bretton Woods Agreements Act, 59 Stat. 512, as amended (22 U.S.C. 286b).

(c) The Board of the Foreign Service, provided for in section 211 of the Foreign Service Act of 1946, 60 Stat. 1001 (22 U.S.C. 826).

(d) The Board of Examiners for the Foreign Service, provided for in section 212 of the Foreign Service Act of 1946 (22 U.S.C. 827).

(e) The Civilian-Military Liaison Committee, provided for in section 204 of the National Aeronautics and Space Act of 1958, 72 Stat. 431, as amended (42 U.S.C. 2474).

SEC. 2. *Performance of transferred functions.* The President may from time to time make such provisions as he may deem appropriate authorizing the performance of the functions transferred by the provisions of section 1 of this reorganization plan by any other officers of the executive branch of the Government or by any agencies or employees of that branch.

SEC. 3. *Abolition of bodies.* (a) Each of the bodies referred to in paragraphs (a) to (e), inclusive, of section 1 of this reorganization plan is hereby abolished.

(b) The President shall make or cause to be made such provisions as may be necessary with respect to the winding up of any outstanding affairs of the bodies abolished by the provisions of section 3 of this reorganization plan.

PART II

SECTION 11. *Transfer of functions.* (a) There are hereby transferred to the Chairman of the United States Civil Service Commission all functions of the Advisory Council on Group Insurance, provided for in section 12(a) of the Federal Employees' Group Life Insurance Act of 1954, 68 Stat. 742 (5 U.S.C. 2101(a)).

(b) There are hereby transferred to the Administrator of the Small Business Administration all functions of the Loan Policy Board of the Small Business Administration, provided for in section 4(d) of the Small Business Act, 72 Stat. 385 (15 U.S.C. 633(d)).

¹ Effective July 27, 1965, under the provisions of section 6 of the act; published pursuant to section 11 of the act (63 Stat. 203; 5 U.S.C. 133z).

(c) There are hereby transferred to the Secretary of the Interior all functions of the advisory board provided for in section 2(a) of the Act of August 20, 1937, 50 Stat. 732, as amended (16 U.S.C. 832a(a)), commonly referred to as the Bonneville Power Advisory Board.

(d) There are hereby transferred to the Attorney General all functions of the Awards Board provided for in section 3 of the Atomic Weapons Rewards Act of 1955, 69 Stat. 365 (50 U.S.C. 47b).

(e) The transfers made by subsections (a) to (d), inclusive, of this section shall be deemed to include all functions of the Chairman and of other officers of the respective transferor bodies referred to in those subsections.

SEC. 12. *Performance of transferred functions.* Each officer to whom functions are transferred by the provisions of section 11 of this reorganization plan may from time to time make such provisions as he may deem appropriate authorizing the performance of the functions so transferred to him by his subordinate officers, employees, or agencies.

SEC. 13. *Abolitions.* (a) Each of the bodies the functions of which are transferred by the provisions of section 11 of this reorganization plan is hereby abolished. Each officer to whom functions are transferred by those provisions shall make such provisions as may be necessary with respect to the winding up of any outstanding affairs of the body or bodies the functions of which are so transferred to him.

(b) The functions vested in the Secretary of Health, Education, and Welfare by the provisions of section 7(b) of the Juvenile Delinquency and Youth Offenses Control Act of 1961, 75 Stat. 574 (42 U.S.C. 2546(b)), are hereby abolished.

[F.R. Doc. 65-7999; Filed, July 27, 1965; 8:49 a.m.]

Reorganization Plan No. 5 of 1965

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, May 27, 1965, pursuant to the provisions of the Reorganization Act of 1949, 63 Stat. 203, as amended.¹

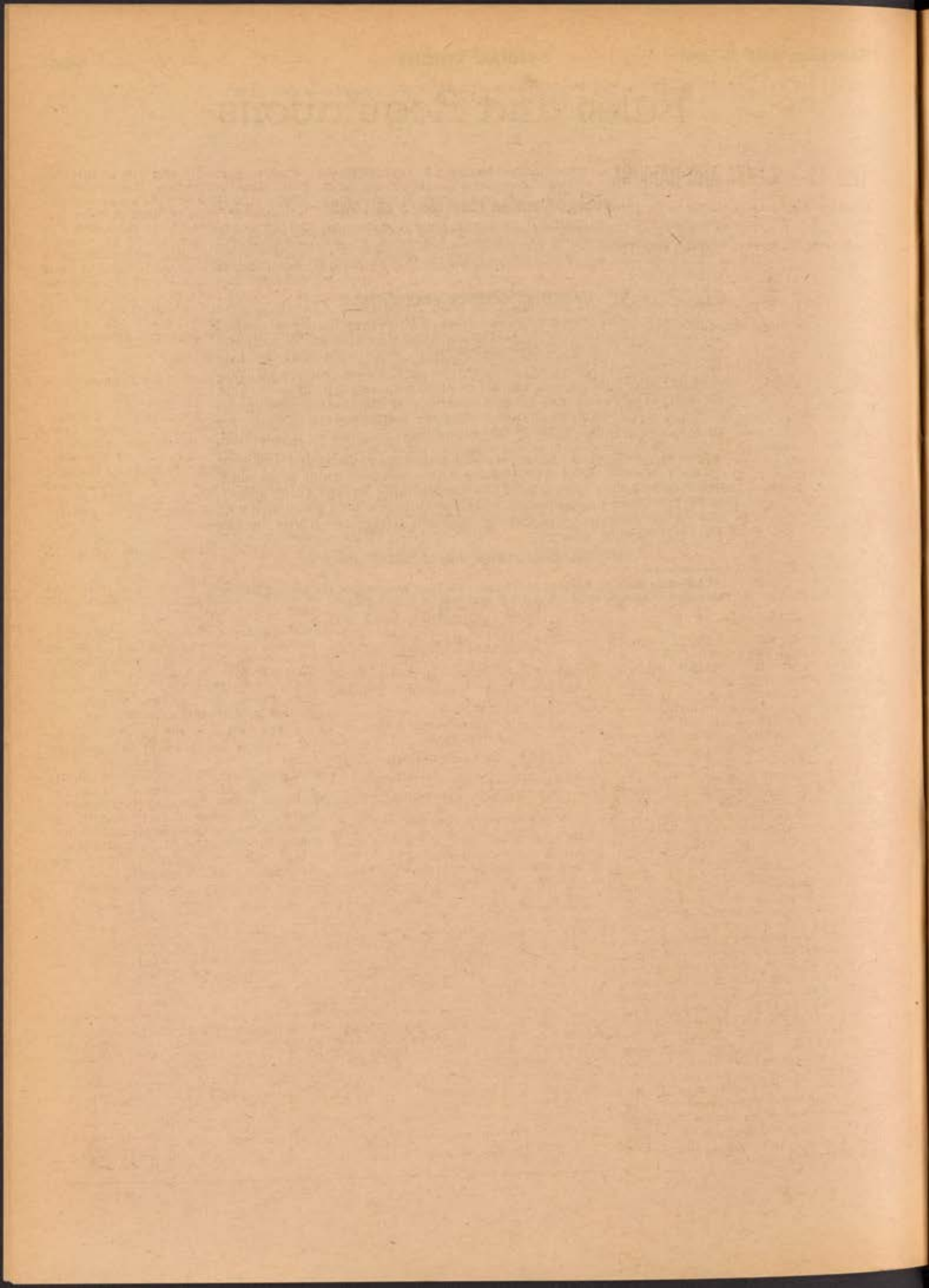
NATIONAL SCIENCE FOUNDATION

SECTION 1. Abolition of committees. There are hereby abolished all functions of the (divisional) committees provided for in section 8 of the National Science Foundation Act of 1950 (64 Stat. 152; 42 U.S.C. 1867), all functions with respect to the appointment of committees under that section, and all committees now existing under that section. The Director of the National Science Foundation shall make such provisions as he shall deem necessary respecting the winding up of any outstanding affairs of the committees abolished by this section.

SEC. 2. Authority to delegate. The Director of the National Science Foundation may from time to time make such provisions as he shall deem appropriate authorizing the performance by any other officer, or by any agency or employee, of the National Science Foundation of any of his functions (including functions delegated to him by the National Science Board).

[F.R. Doc. 65-8000; Filed, July 27, 1965; 8:49 a.m.]

¹ Effective July 27, 1965, under the provisions of section 6 of the act; published pursuant to section 11 of the act (63 Stat. 203; 5 U.S.C. 133z).



Rules and Regulations

Title 12—BANKS AND BANKING

Chapter V—Federal Home Loan Bank Board

SUBCHAPTER C—FEDERAL SAVINGS AND LOAN SYSTEM

[No. 19,283]

PART 545—OPERATIONS

Savings Accounts

JULY 22, 1965.

Resolved that, notice and public procedure having been duly afforded (30 F.R. 7316) and all relevant material presented or available having been considered by it, the Federal Home Loan Bank Board, upon the basis of such consideration and of determination by it of the advisability of amendment of Part 545 of the rules and regulations for the Federal Savings and Loan System (12 CFR Part 545) to permit a service fee in connection with dormant accounts, and for the purpose of effecting such amendment, hereby amends said Part 545 as hereinafter set forth, effective August 28, 1965.

Amend § 545.1 of the rules and regulations for the Federal Savings and Loan System to read as follows:

§ 545.1 Savings accounts.

(a) *General.* The capital of a Federal association may be raised through payments on its savings accounts in the form of cash, or of property in which such Federal association is authorized to invest, and, in the absence of actual fraud in the transaction, the value of such property, as determined by the board of directors of such Federal associations, shall be conclusive. The savings accounts of a federal association that has a Charter E or a Charter K and which amends such charter to read in the form of Charter N or Charter K (rev.) shall continue to have the same rights and privileges and to be subject to the same duties and liabilities as were provided in the charter in effect at the time such savings accounts were created, until exchanged for a savings account issued under the provisions of Charter N or Charter K (rev.).

(b) *Sales commission.* No Federal association shall pay any sales commission contrary to the terms of § 563.25 of the Rules and Regulations for Insurance of Accounts (§ 563.25 of Subchapter D of this Chapter) or do any act prohibited by the terms of said section.

(c) *Membership fee.* Except to the extent expressly authorized by Charter E, or paragraph (d) of this section, no Federal association shall directly or indirectly charge any membership, admission, repurchase, withdrawal or any other fee or sum of money for the privilege of becoming, remaining, or ceasing to be a holder of a savings account of such Federal association.

(d) *Service charge.* A Federal association which has a charter in the form of Charter N or Charter K (rev.) may make a service charge of not more than one dollar (\$1.00) in any calendar year against any savings account if at the time any such charge is made:

(1) The association is not required to distribute earnings on such account;

(2) No payment has been made and no earnings have been distributed on such account for a period of at least 36 months next preceding the date on which such charge is made; and

(3) Thirty days prior to making the first service charge, the association has mailed to the holder of such account, at his last known address, a notice that service charges will be made in accordance with this paragraph (d).

(Sec. 5, 48 Stat. 132, as amended; 12 U.S.C. 1464. Reorg. Plan No. 3 of 1947, 12 F.R. 4981, 3 CFR, 1947 Supp.)

By the Federal Home Loan Bank Board.

[SEAL]

HARRY W. CAULSEN,
Secretary.

[F.R. Doc. 65-7951; Filed, July 27, 1965;
8:48 a.m.]

Title 9—ANIMALS AND ANIMAL PRODUCTS

Chapter III—Consumer and Marketing Service—Meat Inspection, Department of Agriculture

SUBCHAPTER A—MEAT INSPECTION REGULATIONS

PART 317—LABELING

PART 318—REINSPECTION AND PREPARATION OF PRODUCT

Miscellaneous Amendments

On March 10, 1965, there was published in the FEDERAL REGISTER (30 F.R. 3272-3273) a notice of proposed amend-

ments to Parts 317 and 318, of the Federal Meat Inspection Regulations (9 CFR Parts 317 and 318) to permit certain substances to be used in meat food products under the Meat Inspection Act. After due consideration of all relevant matters in connection with such notice and under the authority of the Meat Inspection Act, as amended and extended (21 U.S.C. 71-91, 96) and section 306 of the Tariff Act of 1930, as amended (19 U.S.C. 1306), §§ 317.8 and 318.7 of said regulations are amended as follows:

§ 317.8 [Amended]

1. Section 317.8(c) (43) is amended to read:

(43) When monoglycerides, diglycerides, and/or polyglycerol esters of fatty acids are added to rendered animal fat or a combination of such fat and vegetable fat, there shall appear on the label in a prominent manner and contiguous to the name of the product a statement such as "With Monoglycerides and Diglycerides Added," or "With Diglycerides and Monoglycerides," or "With Polyglycerol Esters of Fatty Acids," as the case may be.

2. Paragraph (c) of § 317.8 is further amended by adding a new subparagraph (69) to read:

When pizzas are formulated with crust containing calcium propionate or sodium propionate, there shall appear on the label contiguous to the name of the product the statement "-----" added to retard spoilage of the crust" preceded by the name of the preservative.

3. The chart in § 318.7(b) (4) is amended as indicated in (1) and (2) below:

(1) In the portion of the chart dealing with "Emulsifying Agents" (Class of Substance) the following information for polyglycerol esters of fatty acids is inserted in the appropriate columns immediately following Mono and Diglycerides (glycerol palmitate, etc.) and information relating thereto.

Class of substance	Substance	Purpose	Products	Amount
	Polyglycerol esters of fatty acids (Polyglycerol esters of fatty acids are restricted to those up to and including the decaglycerol esters and otherwise meeting the requirements of section 121.1120 (a) of the Food Additive Regulations).	do.	Rendered animal fat or a combination of such fat with vegetable fat when use is not precluded by standards of identity.	Sufficient for purpose.

(2) The following information for calcium propionate and sodium propionate is inserted in the appropriate columns immediately following sodium bicarbonate and information relating thereto in that portion of the chart dealing with "Miscellaneous" (class of substance).

Class of substance	Substance	Purpose	Products	Amount
	Calcium propionate...	To retard mold growth.	Pizza crust.	0.32 percent alone or in combination based on weight of the flour used.
	Sodium propionate...	do.	do.	

(Sec. 306, 46 Stat. 689, as amended; 34 Stat. 1264, 41 Stat. 241; 19 U.S.C. 1806; 21 U.S.C. 89, 96; 29 F.R. 16210, as amended)

The purposes of these amendments are (1) to add food grade polyglycerol esters of fatty acids to the list of emulsifying materials acceptable for use in fats, (2) to accept calcium propionate and sodium propionate for use in pizza crust used in the formulation of meat food product to retard mold growth, and (3) to provide for appropriate labeling of products when these substances are used.

The foregoing amendments differ in some respects from the proposals set forth in the notice of proposed rule making. These differences are due to changes made pursuant to comments received with respect to the notice. It appears that further public rule making procedure on the amendments would not make additional information available to this Department. Therefore, under section 4 of the Administrative Procedure Act (5 U.S.C. 1003), it is found upon good cause that further public rule making procedure is unnecessary.

These amendments shall become effective 30 days after publication in the *FEDERAL REGISTER*.

Done at Washington, D.C., this 23d day of July 1965.

R. K. SOMERS,
Acting Deputy Administrator,
Consumer Protection, Consumer
and Marketing Service.

[F.R. Doc. 65-7949; Filed, July 27, 1965;
8:48 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Agency

[Airspace Docket No. 65-CE-60]

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

Alteration of Control Zone, Designation of Transition Area and Revocation of Control Area Extension

On May 26, 1965, a notice of proposed rule making was published in the *FEDERAL REGISTER* (30 F.R. 7045) stating that the Federal Aviation Agency proposed to alter the controlled airspace in the vicinity of Mason City, Iowa.

Interested persons were afforded an opportunity to participate in the rule making through submission of comments. The comment received was favorable.

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective 0001 e.s.t., September 16, 1965, as hereinafter set forth.

1. In § 71.165 (29 F.R. 17557) the Mason City, Iowa, control area extension is revoked in its entirety.

2. In § 71.171 (29 F.R. 17581) the Mason City, Iowa, control zone is amended to read:

MASON CITY, IOWA

Within a 5-mile radius of Mason City, Iowa, Municipal Airport (latitude 43°09'31" N., longitude 93°19'39" W.); and within 2 miles each side of the Mason City VOR 002° radial extending from the 5-mile radius zone to 10 miles N of the VOR.

3. In § 71.181 (29 F.R. 17643) the following transition area is added:

MASON CITY, IOWA

That airspace extending upward from 700 feet above the surface within 8 miles E and 5 miles W of the Mason City VOR 182° and 002° radials; and extending from 7 miles N to 12 miles S of the VOR and within 2 miles each side of the Mason City VOR 002° radial extending from 10 miles N to 18 miles N of the VOR; and that airspace extending upward from 1,200 feet above the surface within 5 miles E and 8 miles W of the Mason City VOR 002° radial extending from 7 miles N to 22 miles N of the VOR; and within the area bounded on the W by a line 5 miles W of and parallel to the Mason City VOR 349° radial, on the SE by a line 5 miles SE of and parallel to the Mason City VOR 038° radial and on the N by the arc of a 22-mile radius circle centered on the Mason City VOR; and within the area bounded on the NE by a line 5 miles NE of and parallel to the Mason City VOR 128° radial, on the NW by a line 5 miles NW of and parallel to the Mason City VOR 236° radial and on the S by the arc of a 12-mile radius circle centered on the Mason City VOR; and within the area bounded on the NE by a line 5 miles NE of and parallel to the Mason City VOR 152° radial, on the W by a line 5 miles W of and parallel to the Mason City VOR 182° radial and on the S by the arc of a 20-mile radius circle centered on the Mason City VOR.

(Sec. 307(a) of the Federal Aviation Act of 1958, 49 U.S.C. 1348)

Issued in Kansas City, Mo., on July 16, 1965.

DONALD S. KING,
Acting Director,
Central Region.

[F.R. Doc. 65-7907; Filed, July 27, 1965;
8:45 a.m.]

PART 99—SECURITY CONTROL OF AIR TRAFFIC

Special Instructions for the Security Control of Air Traffic

On March 17, 1965, a notice of proposed rule making was published in the *FEDERAL REGISTER* (30 F.R. 3550) stating that the Federal Aviation Agency was considering amendments to §§ 99.3 and 99.7 of part 99 of the Federal Aviation Regulations that would clarify the extent to which the Administrator intends implementing his authority, under the Federal Aviation Act of 1958, to encourage and permit the maximum use of the navigable airspace by civil aircraft consistent with the national security.

Interested persons were afforded an opportunity to participate in the proposed rule making through the submission of comments. Due consideration was given to all relevant matter presented.

Although all comments generally supported the proposed amendments, the Air Transport Association of America

(ATA) stated that it was concerned with the broadness of the authority granted the Administrator by the proposal to amend § 99.7. The amendment, as proposed, does not grant the Administrator any degree of authority. Rather, it implements the authority granted him by § 1202 of the Federal Aviation Act of 1958.

The purpose of the amendment, herein, is to make perfectly clear that special security instructions, can and may be issued, in accordance with § 1202 under any situation determined to be detrimental to the interests of national defense, including all degrees of hostile actions as well as situations precipitating the declaration of an Air Defense Emergency or Defense Emergency and attendant full war plans.

The ATA also commented that the words " * * * in the interest of national security," as used in the proposed change to section 99.7, are not defined and, as such, are susceptible to different interpretations. Further, it was suggested that the language would be more in keeping with the intent of the amendment, as expressed in the preamble of the notice, if the words " * * * hostile actions threatening national security," were used. In the interest of national security, the Administrator may issue special security instructions under conditions which include all degrees of hostility, ranging from threats to actual attack. The phrase "in the interest of national security" is not specifically defined since it is an inclusive term intended to cover any and all situations that quite obviously cannot be predetermined.

The Aircraft Owners and Pilots Association recommended that the terms Air Defense Emergency and Defense Emergency continue as conditions for the issuance of special security instructions. The basis for this recommendation was that the Administrator has sufficient authority under the Federal Aviation Act of 1958 to issue special security instructions as necessary, and in the event of a time-critical situation, military commanders would not wait for a formal declaration of an Air Defense Emergency or Defense Emergency prior to initiating defensive measures. Again, the amendment of § 99.7 is designed to clarify the extent to which the Administrator intended using his authority under § 1202 of the Act, rather than attempting to add to that authority. Further, the argument that military commanders would not wait for a formal declaration of an Air Defense Emergency or Defense Emergency strengthens, rather than contravenes, the position that such a declaration should not be a prerequisite for the issuance of, and compliance with, special security instructions.

Finally, AOPA stated that it realized situations may arise that do not require the declaration of an Air Defense Emergency or Defense Emergency, or hostile actions may occur without sufficient time to make these declarations, but that the issuance of special rules would be sufficient to cope with these situations; that it would be impractical to cover such

exceptions to a formal declaration in part 99. Unfortunately, immediate compliance with defense measures, including special security instructions, to counter threatening hostile actions may be required at any given moment, and does not lend itself even to the publication of special regulations. In view of such uncertainty, the language proposed for § 99.7 provides an exceptionally practical and necessarily flexible means, consistent with appropriate agreements between the Federal Aviation Agency and the Department of Defense, for dealing with situations involving all activities determined to be detrimental to national security. To clarify further the extent to which the Administrator intends issuing special security instructions under the authority of § 1202, specific reference to such appropriate agreements between the Agency and the Department of Defense is hereby inserted in § 99.7 as proposed.

In consideration of the foregoing, §§ 99.3 and 99.7 of part 99 of the Federal Aviation Regulations are amended, effective August 27, 1965, as hereinafter set forth.

1. Paragraph (b) of § 99.3 is amended to read as follows:

(b) Unless designated as an ADIZ, a Defense Area is any airspace of the United States in which the control of aircraft is required for reasons of national security.

2. Section 99.7 is amended to read as follows:

§ 99.7 Special security instructions.

Each person operating an aircraft in an ADIZ or Defense Area shall, in addition to the applicable operating rules of this part, comply with special security instructions issued by the Administrator in the interest of national security and that are consistent with appropriate agreements between the FAA and the Department of Defense.

(Secs. 307 and 1202 of the Federal Aviation Act of 1958; 49 U.S.C. 1348, 1522)

Issued in Washington, D.C., on July 22, 1965.

D. D. THOMAS,
Deputy Administrator.

[P.R. Doc. 65-7908; Filed, July 27, 1965; 8:45 a.m.]

Title 26—INTERNAL REVENUE

Chapter I—Internal Revenue Service, Department of the Treasury

SUBCHAPTER A—INCOME TAX [T.D. 6842]

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

Extension of Time for Filing Consolidated Returns

Treasury Decision 6813, published April 6, 1965, amended § 1.1502-31(b) of the

Income Tax Regulations relating to consolidated returns by removing certain limitations on the carryover of net operating losses from separate return years. The amendment applies to taxable years of affiliated groups beginning after December 31, 1963.

Since Treasury Decision 6813 was published after the time for filing returns for the taxable year ending December 31, 1964, and shortly before the time for filing returns for the taxable year ending January 31, 1965, the extension described in the following paragraph is hereby granted.

Pursuant to the authority contained in section 6081(a) of the Internal Revenue Code of 1954, the time for filing a consolidated return for a taxable year ending on or after December 31, 1964, but before February 1, 1965, by a group of affiliated corporations having the privilege of filing a consolidated return for such year under section 1501 of the Code, or which is required to file a consolidated return for such year pursuant to the regulations under section 1502 of the Code, is hereby extended to September 15, 1965.

The preceding paragraph applies both to a group of affiliated corporations which filed a consolidated return and to a group of affiliated corporations the common parent of which filed a separate return for such a taxable year. Accordingly, such a group may now file a consolidated return, in lieu of the consolidated return or separate returns previously filed, and avail itself of the provisions of Treasury Decision 6813. In such case, the statute of limitations on filing a claim for credit or refund, and on the assessment and collection of tax, for such year will run from the time such consolidated return is filed.

The amendment made by Treasury Decision 6813 does not make substantially less advantageous to affiliated groups as a class the continued filing of consolidated returns. Accordingly, a consolidated return for a taxable year ending on or after December 31, 1964, but before February 1, 1965, must be made by a group of affiliated corporations which is otherwise required under § 1.1502-11 to file a consolidated return for such year.

Because this Treasury decision merely extends the period for the filing of certain returns, it is found that it is unnecessary to issue this Treasury decision with notice and public procedure thereon under section 4(a) of the Administrative Procedure Act, approved June 11, 1946, or subject to the effective date limitation of section 4(c) of the Act.

(Sec. 7805 of the Internal Revenue Code of 1954; 68A Stat. 917; 26 U.S.C. 7805)

[SEAL] SHELDON S. COHEN,
Commissioner of Internal Revenue.

Approved: July 23, 1965.

STANLEY S. SURREY,
Assistant Secretary of the
Treasury.

[P.R. Doc. 65-7933; Filed, July 27, 1965; 8:47 a.m.]

SUBCHAPTER E—ALCOHOL, TOBACCO, AND OTHER EXCISE TAXES [T.D. 6843]

PART 201—DISTILLED SPIRITS PLANTS PART 240—WINE

Miscellaneous Amendments

In order to implement the provisions of Public Law 89-44, relating to (a) the return of taxpaid distilled spirits to bonded premises, (b) the destruction of distilled spirits returned to bond, and (c) the carbon dioxide content of still wine, the regulations in 26 CFR Parts 201 and 240 are amended as follows:

PARAGRAPH A. 26 CFR Part 201 is amended as follows:

1. Section 201.44 is amended to remove the time limitation within which taxpaid spirits, on which refund or credit is to be claimed, must be returned to bonded premises. As amended, § 201.44 reads as follows:

§ 201.44 Claims in respect of spirits returned to bonded premises.

Claims for credit or refund of tax relating to spirits which have been withdrawn from bonded premises on payment or determination of tax and which are returned thereto under section 5215, I.R.C., as provided in Subpart S of this part, shall be filed with the assistant regional commissioner, and shall set forth the following:

- Quantity of spirits so returned;
- Amount of tax for which the claim is filed;
- Name, number, and address of the plant from which the spirits were so withdrawn, the date of such withdrawal, and purpose for which withdrawn;
- Name, address, and plant number of the plant to which the spirits were returned and the date of such return;
- A statement as to whether or not the spirits were returned in the same bulk container in which withdrawn from bonded premises before any processing thereof and before the removal of any spirits therefrom (other than samples for testing or analysis);
- The reason for such return and all facts relating thereto.

There shall be attached to such claim a copy of the approved application and of the gauge report provided for in § 201.583. Such claims shall be filed by the proprietor of the plant to which the spirits were returned and within six months of the date of the return. If such claim is allowed, refund (without interest) will be made or credit (without interest) will be allowed.

(72 Stat. 1323, 1364, as amended; 26 U.S.C. 5008, 5215)

2. Section 201.581 is amended to provide for the destruction of taxpaid spirits returned to bonded premises. As amended, § 201.581 reads as follows:

§ 201.581 Return of taxpaid spirits to bonded premises.

Subject to the provisions of this subpart, spirits withdrawn from bonded premises on payment or determination

of tax in bulk containers on or after July 1, 1959, may be returned to bonded premises, if such spirits have been found to be unsuitable for the purpose for which intended to be used before any processing thereof and before removal of any spirits (other than samples for testing or analysis) from the original container in which such spirits were withdrawn. In the case of spirits withdrawn by pipeline, the tank into which the spirits were originally deposited shall be considered the original container, and such spirits may be returned by pipeline or by other approved containers. The returned spirits shall be immediately destroyed, redistilled, denatured, or mingled. If destroyed, the destruction shall be accomplished in accordance with § 201.562. If mingled, the mingling shall be accomplished under the following conditions:

(a) If distilled at 190 degrees or more or proof, mingled with other spirits in bond which were so distilled;

(b) If eligible for denaturation, mingled with other eligible spirits for immediate denaturation;

(c) If eligible to be removed from bond for an authorized tax-free purpose, mingled with other eligible spirits to be immediately so removed; or

(d) If to be redistilled at the same or at another plant, mingled with other spirits for immediate redistillation.

All provisions of Chapter 51, I.R.C., and this part, applicable to spirits in internal revenue bond shall be applicable to spirits returned to bonded premises under this section on such return.

(72 Stat. 1364, as amended; 26 U.S.C. 5215)

PAR. B. 26 CFR Part 240 is amended as follows:

1. Sections 240.531 and 240.533 are amended to increase the permissible carbon dioxide content of still wine from 0.256 to 0.277 gram per hundred milliliters of wine. As amended, §§ 240.531 and 240.533 read as follows:

§ 240.531 General.

The addition to (and retention in) still wines of small quantities of carbon dioxide is permitted: *Provided*, That, at the time of removal for consumption or sale, the still wine shall not contain more than 0.277 gram of carbon dioxide per 100 milliliters of wine, subject to the tolerance provisions of § 240.533. Where carbon dioxide is added to, or retained in, still wines, the proprietor shall file notice in accordance with § 240.532. Where such carbon dioxide content of wine, at the time of removal for consumption or sale, is to be less than 0.225 gram of carbon dioxide per 100 milliliters of wine, the provisions of § 240.534 shall not be applicable.

(72 Stat. 1331, as amended; 26 U.S.C. 5041)

§ 240.533 Tolerance.

A tolerance to the maximum limitation on carbon dioxide in still wines, not to exceed 0.009 gram of carbon dioxide per 100 milliliters of wine, will be allowed where the proprietor shows to the satisfaction of the assistant regional commissioner that the amount of carbon dioxide in excess of 0.277 gram per 100

milliliters of wine was due to mechanical variations which could not be completely controlled under good commercial practices. Such tolerance will not be allowed where it is found that the proprietor continuously or intentionally exceeds 0.277 gram of carbon dioxide per 100 milliliters of wine or where the variation results from the use of methods or equipment not in accord with good commercial practices.

(72 Stat. 1331, as amended; 26 U.S.C. 5041)

Because this Treasury decision merely implements certain liberalizing provisions of Public Law 89-44, effective July 1, 1965, it is found impracticable and contrary to public interest to issue it with notice and public procedure thereon under section 4(a) of the Administrative Procedure Act, approved June 11, 1946, or subject to the effective date limitation of section 4(c) of such Act. Accordingly, this Treasury decision shall become effective July 1, 1965.

(Sec. 7806 of the Internal Revenue Code; 68A Stat. 917; 26 U.S.C. 7805)

[SEAL] SHELDON S. COHEN,
Commissioner of Internal Revenue.

Approved: July 23, 1965.

STANLEY S. SURREY,
Assistant Secretary of the
Treasury.

[P.R. Doc. 65-7934; Filed, July 27, 1965;
8:47 a.m.]

[T.D. 6844]

PART 270—MANUFACTURE OF TOBACCO PRODUCTS

PART 275—IMPORTATION OF TOBACCO MATERIALS, TOBACCO PRODUCTS, AND CIGARETTE PAPERS AND TUBES

PART 285—MANUFACTURE OF CIGARETTE PAPERS AND TUBES

PART 290—EXPORTATION OF TOBACCO MATERIALS, TOBACCO PRODUCTS, AND CIGARETTE PAPERS AND TUBES, WITHOUT PAYMENT OF TAX, OR WITH DRAWBACK OF TAX

PART 295—REMOVAL OF TOBACCO PRODUCTS AND CIGARETTE PAPERS AND TUBES WITHOUT PAYMENT OF TAX, FOR USE OF THE UNITED STATES

Definitions for "Cigar" and "Cigarette"

In order to conform to the definitions in section 5702 of the Internal Revenue Code, as amended by the Excise Tax Reduction Act of 1965, Public Law 89-44, the regulations in 26 CFR Parts 270, 275, 285, 290, and 295 are amended as follows:

PARAGRAPH 1. Section 270.11 is amended by redefining the terms "cigar" and "cigarette" to read as follows:

§ 270.11 Meaning of terms.

Cigar. Any roll of tobacco wrapped in leaf tobacco or in any substance con-

taining tobacco (other than any roll of tobacco which is a cigarette within the meaning of subparagraph (2) of the definition for cigarette).

Cigarette. (1) Any roll of tobacco wrapped in paper or in any substance not containing tobacco, and

(2) Any roll of tobacco wrapped in any substance containing tobacco which, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette described in subparagraph (1).

PAR. 2. Section 275.11 is amended by redefining the terms "cigar" and "cigarette" to read as follows:

§ 275.11 Meaning of terms.

Cigar. Any roll of tobacco wrapped in leaf tobacco or in any substance containing tobacco (other than any roll of tobacco which is a cigarette within the meaning of subparagraph (2) of the definition for cigarette).

Cigarette. (1) Any roll of tobacco wrapped in paper or in any substance not containing tobacco, and

(2) Any roll of tobacco wrapped in any substance containing tobacco which, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette described in subparagraph (1) of this paragraph.

PAR. 3. Section 285.11 is amended by redefining the term "cigarette" to read as follows:

§ 285.11 Meaning of terms.

Cigarette. (1) Any roll of tobacco wrapped in paper or in any substance not containing tobacco, and

(2) Any roll of tobacco wrapped in any substance containing tobacco which, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette described in subparagraph (1) of this paragraph.

PAR. 4. 26 CFR Part 290 is amended as follows:

(A) Section 290.14 is amended by redefining the term "cigar" to read as follows:

§ 290.14 Cigar.

"Cigar" shall mean any roll of tobacco wrapped in leaf tobacco or in any substance containing tobacco (other than any roll of tobacco which is a cigarette within the meaning of paragraph (b) of § 290.15).

(B) Section 290.15 is amended by redefining the term "cigarette" to read as follows:

§ 290.15 Cigarette.

"Cigarette" shall mean:

(a) Any roll of tobacco wrapped in paper or in any substance not containing tobacco, and

(b) Any roll of tobacco wrapped in any substance containing tobacco which,

because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette described in paragraph (a) of this section.

PAR. 5. Section 295.11 is amended by redefining the terms "cigar" and "cigarette" to read as follows:

§ 295.11 Meaning of terms.

Cigar. Any roll of tobacco wrapped in leaf tobacco or in any substance containing tobacco (other than any roll of tobacco which is a cigarette within the meaning of subparagraph (2) of the definition for cigarette).

Cigarette. (1) Any roll of tobacco wrapped in paper or in any substance not containing tobacco, and

(2) Any roll of tobacco wrapped in any substance containing tobacco which, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette described in subparagraph (1) of this paragraph.

Because the amendments made by this Treasury decision conform the regulations to statutory provisions, it is found that it is impracticable and unnecessary to issue this Treasury decision with notice and public procedure under section 4(a) of the Administrative Procedure Act, approved June 11, 1946, or subject to the effective date limitation of section 4(c) of said Act.

This Treasury decision shall be effective July 1, 1965.

(Sec. 7805 of the Internal Revenue Code of 1954; 68A Stat. 917; 26 U.S.C. 7805)

[SEAL] **SHELDON S. COHEN,**
Commissioner of Internal Revenue.

Approved: July 23, 1965.

STANLEY S. SURREY,
Assistant Secretary of the
Treasury.

[F.R. Doc. 65-7935; Filed, July 27, 1965;
8:47 a.m.]

Title 32—NATIONAL DEFENSE

Chapter V—Department of the Army

SUBCHAPTER C—MILITARY EDUCATION

PART 542—SCHOOLS AND COLLEGES

National Defense Cadet Corps

New paragraph (c) is added to § 542.8, and a new paragraph (a-1) is added to § 542.10, as follows:

§ 542.8 Educational institutions.

No. 144—3

(c) Title VI of the Civil Rights Act of 1964 (Public Law 88-352, 78 Stat. 241) provides that no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity receiving Federal financial assistance. Each school or school system desiring to participate in the NDCC program will be required to execute an Assurance of Compliance (§ 542.10(a-1)). Exceptions will be made only in the case of institutions with plans for desegregation and only upon approval of the Secretary of Defense.

§ 542.10 Application.

(a-1) The following Assurance of Compliance, executed in six copies by the governing official of the school or school system, will accompany the application.

ASSURANCE OF COMPLIANCE WITH THE DEPARTMENT OF DEFENSE DIRECTIVE UNDER TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

The governing official of _____ (Name of school or school system*) in consideration of the establishment/maintenance of a unit of the National Defense Cadet Corps program at the above school or school system hereby agrees that the school(s) will be operated in compliance with the provisions of title VI of the Civil Rights Act of 1964 (Public Law 88-352), which provides that no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance; and in conformity with the requirements of Department of Defense Directive 5500.11. The governing official of the school(s) does hereby give assurance that no distinction will be made on the basis of race, color, or national origin, in the admission of individuals to the school(s), or the subsequent treatment of individuals as students of the school(s).

This assurance is binding upon the school(s) for such period as Federal financial assistance, provided in accordance with Army Regulation 350-250, is extended by the Department of the Army or the institution retains the possession of any property so provided. The governing official of the school(s) recognizes and agrees that any Federal financial assistance provided the school(s), is extended in reliance upon the representation contained herein, and the United States shall have the right to seek the judicial enforcement of such representations.

(Typed name and title of governing official)

(Name of school or school system)

(Signature)

(Date)

(Location)

*If a school system, list below the schools involved. Each school of the system is

covered individually and separately by this agreement.

(C 10 AR 350-250, May 27, 1965; sec. 3012, 70A Stat. 157; 10 U.S.C. 3012; interpret or apply secs. 3540, 4651, 70A Stat. 202, 206; 10 U.S.C. 3540, 4651)

J. C. LAMBERT,
Major General, U.S. Army,
The Adjutant General.

[F.R. Doc. 65-7922; Filed, July 27, 1965;
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

Willamette National Wildlife Refuge, Oreg.

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

§ 32.32 Special Regulations; big game; for individual wildlife refuge areas.

OREGON

WILLAMETTE NATIONAL WILDLIFE REFUGE

The public hunting of deer on the Willamette National Wildlife Refuge is permitted on lands as posted within the Muddy Creek Unit from August 28 through September 26, October 2 through October 24 and October 30 through November 7, 1965. Additional information may be obtained at Refuge Headquarters on Bellfountain Road, approximately 10 miles south of Corvallis, Oreg., and from the Regional Director, Bureau of Sport Fisheries and Wildlife, 1002 Northeast Holladay, Portland, Oreg., 97208. Hunting shall be in accordance with all applicable State regulations subject to the following special condition:

1. All hunters will check in and out of Refuge Headquarters located on Bellfountain Road, approximately 10 miles south of Corvallis, Oreg.

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, and are effective through November 7, 1965.

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

JULY 16, 1965.

[F.R. Doc. 65-7924; Filed, July 27, 1965;
8:46 a.m.]

Proposed Rule Making

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[43 CFR Subparts 3314, 3638]

NATIONAL FOREST WILDERNESS

Prospecting, Mineral Locations, Mineral Patents, and Mineral Leasing

Basis and purpose. Notice is hereby given that pursuant to the authority vested in the Secretary of the Interior by the Wilderness Act (78 Stat. 890; 16 U.S.C. 1131-1136); and Section 2478 of the Revised Statutes (43 U.S.C. 1201), it is proposed to add two new subparts, 3314, Prospecting and Mineral Leasing within National Forest Wilderness; and 3638, Prospecting, Mineral Locations, and Mineral Patents within National Forest Wilderness, to Subchapter C, Minerals Management, of Chapter II of Title 43, Code of Federal Regulations.

The purpose of the new subparts is to carry out certain provisions of the Wilderness Act pertaining to mineral prospecting, mineral leasing, mineral locations, and mineral patents within National Forest Wilderness insofar as such provisions involve responsibilities of the Secretary of the Interior.

While these additions do not require public review pursuant to statute, they are made available for review to afford the public an opportunity to participate in the rule making process. Interested persons are invited to submit written comments, suggestions, or objections with respect to the proposed new Subparts to the Secretary of the Interior, Washington, D.C., 20240, within 60 days of the date of publication of this notice in the FEDERAL REGISTER.

It is intended that the new subparts will become effective 30 days following the date of publication of final rule making in the FEDERAL REGISTER.

A new subpart is added to Part 3300, Special Leasing Acts, of Subchapter C, Minerals Management, to read as follows:

Subpart 3314—Prospecting and Mineral Leasing Within National Forest Wilderness

- Sec.
3314.1 Scope and purpose.
3314.2 Definition.
3314.3 Prospecting within National Forest Wilderness.
3314.4 Mineral leases, licenses, and permits within National Forest Wilderness.

AUTHORITY: The provisions of this Subpart 3314 issued under 78 Stat. 890; 16 U.S.C. 1131-1136 and R.S. 2478; 43 U.S.C. 1201.

§ 3314.1 Scope and purpose.

This subpart sets forth procedures to be followed by persons wishing to prospect on lands within National Forest Wilderness, and special provisions pertaining to mineral leases, licenses, and permits within National Forest Wilderness.

§ 3314.2 Definition.

As used in this subpart the term "National Forest Wilderness" means an area or part of an area of National Forest land designated by the Wilderness Act as a wilderness area within the National Wilderness Preservation System.

§ 3314.3 Prospecting within National Forest Wilderness.

(a) The provisions of the Wilderness Act (78 Stat. 890; 16 U.S.C. 1131-1136) do not prevent any activity, including prospecting, within National Forest Wilderness for the purpose of gathering information about mineral or other resources if such activity is conducted in a manner compatible with the preservation of the wilderness environment. However, nothing in the act, except to the extent provided in Section 4(d)(3) of the act, grants to any person any right or interest in or to any mineral deposits which may be discovered through such activity, including prospecting, nor any preference to any person in applying for a mineral lease, license, or permit. See § 3314.4.

(b) All persons wishing to carry on any activity, including prospecting, for the purpose of gathering information about mineral or other resources on lands within National Forest Wilderness should make inquiry of the officer in charge of the National Forest in which the lands are located concerning reasonable regulations of the Secretary of Agriculture governing surface use of the lands for such activity.

§ 3314.4 Mineral leases, licenses, and permits within National Forest Wilderness.

(a) Until midnight December 31, 1983, all laws pertaining to mineral leasing and the regulations of this chapter pertaining thereto, including any amendments thereto effective during such period, shall, to the same extent as generally applicable before September 3, 1964, extend to National Forest Wilderness, subject to the provisions of such reasonable regulations as may be prescribed by the Secretary of Agriculture governing:

(1) Ingress and egress consistent with (i) the use of the land for mineral development and exploration, drilling, and production; and (ii) use of land for transmission lines, waterlines, telephone lines, or facilities necessary in exploring, drilling, producing, mining, and processing operations, including where essential the use of mechanized ground or air equipment; and

(2) Restoration as near as practicable of the surface of the land disturbed in performing prospecting, discovery work, exploration, drilling, and production, as soon as they have served their purpose.

(b) All mineral leases, permits, and licenses covering lands within National Forest Wilderness, issued on or after September 3, 1964, shall contain such reasonable stipulations as may be prescribed by the Secretary of Agriculture

for the protection of the wilderness character of the lands consistent with the use of the lands for the purposes for which they are leased, permitted, or licensed. In addition to containing such stipulations as may be prescribed by the Secretary of Agriculture or his designee, any mineral lease, license, or permit covering lands within National Forest Wilderness shall contain a provision that it is issued subject to the provisions of the Wilderness Act and the regulations issued thereunder.

A new subpart, 3638 is added to Part 3630, Areas Subject to Special Mining Laws, of Subchapter C, Minerals Management, to read as follows:

Subpart 3638—Prospecting, Mineral Locations, and Mineral Patents Within National Forest Wilderness

- Sec.
3638.1 Scope and purpose.
3638.2 Definition.
3638.3 Prospecting within National Forest Wilderness.
3638.4 Mineral locations within National Forest Wilderness.
3638.5 Mineral patents within National Forest Wilderness.

AUTHORITY: The provisions of this Subpart 3638 issued under 78 Stat. 890; 16 U.S.C. 1131-1136 and R.S. 2478; 43 U.S.C. 1201.

§ 3638.1 Scope and purpose.

This subpart sets forth procedures to be followed by persons wishing to prospect on lands within National Forest Wilderness, and special provisions pertaining to mineral locations and mineral patents within National Forest Wilderness.

§ 3638.2 Definition.

As used in this subpart the term "National Forest Wilderness" means an area or part of an area of National Forest lands designated by the Wilderness Act as a wilderness area within the National Wilderness Preservation System.

§ 3638.3 Prospecting within National Forest Wilderness.

(a) The provisions of the Wilderness Act (78 Stat. 890; 16 U.S.C. 1131-1136) do not prevent any activity, including prospecting, within National Forest Wilderness for the purpose of gathering information about mineral or other resources if such activity is conducted in a manner compatible with the preservation of the wilderness environment. However, nothing in the act, except to the extent provided in Section 4(d)(3) of the act, grants to any person any right or interest in or to any mineral deposits which may be discovered through such activity, including prospecting, nor any right to the issuance of a mineral patent covering the lands embracing such discovery, nor any right to the recognition of such discovery as validating any unpatented mineral location, such matters being governed by other statutes. See §§ 3638.4-3638.5.

(b) All persons wishing to carry on any activity, including prospecting, for the purpose of gathering information about mineral or other resources on lands within National Forest Wilderness should make inquiry of the officer in charge of the National Forest in which the lands are located concerning reasonable regulations of the Secretary of Agriculture governing surface use of the lands for such activity.

§ 3638.4 Mineral locations within National Forest Wilderness.

(a) Until midnight December 31, 1983, the mining laws of the United States and the regulations of this chapter pertaining thereto, including any amendments thereto effective during such period, shall, to the same extent as generally applicable before September 3, 1964, extend to National Forest Wilderness, subject to the provisions of such reasonable regulations as may be prescribed by the Secretary of Agriculture governing:

(1) Ingress and egress consistent with (i) the use of the land for mineral location and development and exploration, drilling, and production; and (ii) use of land for transmission lines, waterlines, telephone lines, or facilities necessary in exploring, drilling, producing, mining, and processing operations, including where essential the use of mechanized ground or air equipment; and

(2) Restoration as near as practicable of the surface of the land disturbed in performing prospecting and location, and exploration, drilling, and production, as soon as they have served their purpose.

(b) All mineral locations established after September 3, 1964, and lying within the National Forest Wilderness, shall be held and used solely for mining or processing operations and uses incident thereto, and such locations shall carry with them no rights in excess of those rights which may be patented under the provisions of § 3638.5 of this chapter.

§ 3638.5 Mineral patents within National Forest Wilderness.

(a) Each patent issued under the U.S. mining laws for mineral locations established after September 3, 1964, or validated by discovery of minerals occurring after September 3, 1964, and lying within National Forest Wilderness, shall, in accordance with the provisions of Section 4(d)(3) of the Wilderness Act:

(1) Convey title to the mineral deposits within the patented lands, together with the right to cut and use so much of the mature timber therefrom as may be needed in the extraction, removal, and beneficiation of the mineral deposits, if needed timber is not otherwise reasonably available, and if the timber is cut under sound principles of forest management as defined by the National Forest rules and regulations;

(2) Reserve to the United States all title in or to the surface of the lands and products thereof; and

(3) Provide that no use of the surface of the patented lands or the resources therefrom not reasonably required for carrying on mining or prospecting shall be allowed except as expressly provided in the Wilderness Act.

(b) Each patent to which the provisions of this section are applicable shall contain the express condition that the patented lands shall be held open for reasonable inspection by authorized officers of the U.S. Government for the purpose of observing compliance with the provisions thereof.

STEWART L. UDALL,
Secretary of the Interior.

JULY 22, 1965.

[F.R. Doc. 65-7930; Filed, July, 27, 1965; 8:46 a.m.]

Office of the Secretary

[43 CFR Part 19]

WILDERNESS PRESERVATION

Notice of Proposed Rule Making

Basis and purpose. Notice is hereby given that pursuant to the authority vested in the Secretary of the Interior by the Wilderness Act (78 Stat. 890; 16 U.S.C. 1131-1136), and section 2478 of the Revised Statutes (43 U.S.C. 1201), it is proposed to add a new Part 19, Wilderness Preservation, Title 43, Code of Federal Regulations, as set forth below.

The purpose of the new part is to carry out provisions of the Wilderness Act pertaining to certain lands under the jurisdiction of and certain functions performed by the Secretary of the Interior.

While this addition does not require public review pursuant to statute, it is made available for review to afford the public an opportunity to participate in the rule making process. Interested persons are invited to submit written comments, suggestions, or objections with respect to the proposed new part to the Secretary of the Interior, Washington, D.C., 20240, within 60 days of the date of publication of this notice in the FEDERAL REGISTER.

It is intended that the new part will become effective 30 days following the date of publication of final rule making in the FEDERAL REGISTER.

A new Part 19 is added as follows:

PART 19—WILDERNESS PRESERVATION

Subpart A—National Wilderness Preservation System

- | | |
|------|---|
| Sec. | |
| 19.1 | Scope and purpose. |
| 19.2 | Receipt of views of other Government agencies and interested persons. |
| 19.3 | Hearing procedures. |
| 19.4 | Private contributions and gifts. |
| 19.5 | Prospecting, mineral locations, mineral patents, and mineral leasing within National Forest Wilderness. |

Subpart B—Wilderness Preservation of Lands Exclusively Administered Through the Bureau of Land Management

- | | |
|-------|---|
| Sec. | |
| 19.25 | Retention and management of public lands for wilderness preservation. |

Subpart A—National Wilderness Preservation System

AUTHORITY: The provisions of this Subpart A issued under 78 Stat. 890; 16 U.S.C. 1131-1136; and R.S. 2478; 43 U.S.C. 1201.

§ 19.1 Scope and purpose.

This subpart sets forth regulations dealing with the administration by the Department of the Interior of certain provisions of the Wilderness Act (78 Stat. 890; 16 U.S.C. 1131-1136).

§ 19.2 Liaison with other governmental agencies and submission of views by interested persons.

(a) When a review is initiated under the provisions of section 3(c) of the Wilderness Act, arrangements shall be made for appropriate consideration of problems of mutual concern with other Federal agencies and with regional, State and local governmental agencies.

(b) Any person desiring to submit recommendations as to the suitability or nonsuitability for preservation as wilderness of any roadless area of 5,000 contiguous acres or more in any unit of the National Park System, or of any such area or any roadless island regardless of size in any unit of the National Wildlife Refuge System, may submit such recommendations at any time to the superintendent or manager in charge of the unit.

§ 19.3 Hearing procedures.

(a) Before any recommendation of the Secretary concerning the suitability or nonsuitability of any roadless area or island for preservation as wilderness is submitted to the President, a public hearing or hearings shall be held thereon at a location or locations convenient to the area or areas affected. If the lands involved are located in more than one State, at least one such hearing shall be held in each State. Public notice of such public hearing or hearings shall be published in the FEDERAL REGISTER and in newspapers of general circulation in the area. The public notice shall contain or make reference to a map of the lands involved and a definition of boundaries and a statement of the action proposed to be taken by the Secretary thereon.

(1) Any hearing held under this section shall be presided over by a hearing officer designated by the Secretary or his designee.

(2) Any person may present testimony at the hearing orally or in writing, or both, by notification to the hearing officer in accordance with the published notice of the hearing. Witnesses shall not be subjected to cross-examination but the hearing officer may invite responses by witnesses to questions he may ask for the purpose of clarifying the testimony presented.

(3) The witnesses shall not be sworn, but statements made by them orally or in writing are subject to the provisions of 18 U.S.C. 1001, which makes it a crime for any person knowingly and willfully to make to any agency of the United States any false, fictitious, or fraudulent statement as to any matter within its jurisdiction.

(4) A verbatim record of the hearing shall be kept.

(5) The hearing officer may be instructed by the Secretary or his designee to prepare and submit a recommendation concerning the suitability or nonsuitability of the area or areas for preservation as wilderness.

(6) A copy of the transcript of the hearing record, and of any recommendation made by the hearing officer as a result thereof, shall, during the pendency of the subject matter, be maintained for public examination (i) in an office of the Department of the Interior convenient to the area or areas affected, and (ii) in the headquarters office of the Department in Washington, D.C.

(7) The Secretary reserves the right at all times to consider information available to his office from any source, not limited to the record of the public hearing or hearings, in the further consideration of proposed recommendations concerning the suitability or the non-suitability of the area or areas for preservation as wilderness.

(b) At least 30 days before the date of any such public hearing, the hearing officer shall advise the Governor of each State and the governing board of each county, or in Alaska the borough, in which the lands are located, and the other Federal departments and agencies concerned, and invite such officials and agencies to submit their views at the hearing or by no later than 30 days following the date of the hearing.

§ 19.4 Private contributions and gifts.

(a) The Secretary is authorized by section 6(b) of the Wilderness Act to accept on behalf of the United States private contributions and gifts to be used to further the purposes of the act. The Secretary or his delegate, under the authorization of section 6(b), may accept on behalf of the United States any sums of money, marketable securities, or other personal property (but not real property) to be used for such things as expediting reviews of roadless areas and islands under his jurisdiction, expediting mineral resource surveys of National Forest Wilderness, or fostering public information and research related to wilderness preservation.

(b) Any person, partnership, or corporation desiring to make a contribution or gift under the provisions of this section may submit an offer to the Secretary of the Interior, Washington, D.C., 20240, stating the amount of money or describing the securities or other personal property involved. If the offer involves property other than cash, the statement should set forth that the offeror is the owner of the property free and clear of all encumbrances and adverse claims. The offeror may specify a particular purpose for which the offer is made, but the Secretary or his delegate may in his discretion reject any offer entailing purposes, terms, or conditions unacceptable to him.

(c) Sums of money and marketable securities received under this section that are not otherwise restricted and are allocated to furthering the purposes of the Wilderness Act as it relates to lands within the National Park System shall be transferred to a special account in the National Park Trust Fund and shall be administered in accordance with the provisions of 36 CFR Part 9.

(d) Offers of gifts of land or interests in land to facilitate administration or

contribute to the improvement, management, use, or protection of public lands and their resources, including the preservation and management of wilderness values, may be tendered to the Secretary under the provisions of section 8(a) of the Taylor Grazing Act of June 28, 1934 (48 Stat. 1272) as amended (43 U.S.C. 315g) or under the provisions of section 103(a) of the Public Land Administration Act of July 14, 1960 (74 Stat. 506; 43 U.S.C. 1364). Persons desiring to make such offers should follow the procedures established by 43 CFR Subpart 2111.

(e) Under the provisions of the Act of June 5, 1920 (41 Stat. 917; 16 U.S.C. 6), the Secretary is authorized, in his discretion, to accept donations of patented lands, rights-of-way over patented lands or other lands, buildings, or other property within the various national parks and national monuments for the purposes of the National Park System. Persons desiring to offer lands, rights-of-way, or buildings under the provisions of the Act of June 5, 1920, should make inquiry of the superintendent of the national park or monument within which the property is located.

§ 19.5 Prospecting, mineral locations, mineral patents, and mineral leasing within National Forest Wilderness.

Regulations issued under the provisions of the Wilderness Act pertaining to prospecting, mineral locations, mineral patents, and mineral leasing within National Forest Wilderness are contained in Parts 3314 and 3638 of Subchapter C of Chapter II of this Title.

Subpart B—Wilderness Preservation of Lands Exclusively Administered Through the Bureau of Land Management

§ 19.25 Retention and management of certain public lands for wilderness preservation.

(a) Section 1(a) of the Classification and Multiple Use Act of September 19, 1964 (78 Stat. 986; 43 U.S.C. 1411-1418) directs the Secretary of the Interior, among other things, to develop and promulgate regulations containing criteria under which he will determine which of the public lands and other Federal lands administered by him exclusively through the Bureau of Land Management shall be retained in Federal ownership, at least until June 30, 1969, and managed for certain purposes. Section 3 of the same Act directs the Secretary to develop and administer for multiple use and sustained yield of the several products and services obtainable therefrom those public lands he determines to be suitable for interim management in accordance with such regulations. Among the uses listed in the Act for which lands retained in Federal ownership are authorized to be managed is wilderness preservation.

(b) Regulations issued under the authority of the Act of September 19, 1964, are contained in Part 2410 of Subchapter B of Chapter II of this Title.

(78 Stat. 986; 43 U.S.C. 1411-1418 and R.S. 2478; 43 U.S.C. 1201)

STEWART L. UDALL,
Secretary of the Interior.

JULY 22, 1965.

[F.R. Doc. 65-7029; Filed, July 27, 1965; 8:46 a.m.]

DEPARTMENT OF AGRICULTURE

Consumer and Marketing Service

[9 CFR Part 327]

IMPORTED PRODUCTS

Notice of Proposed Rule Making

Notice is hereby given in accordance with section 4 of the Administrative Procedure Act (5 U.S.C. 1003) that the Department of Agriculture is considering amending §§ 327.16 and 327.17 of the Meat Inspection Regulations (9 CFR 327.16 and 327.17) pursuant to the authority conferred by section 306 of the Tariff Act of 1930, as amended (19 U.S.C. 1306), and the Meat Inspection Act, as amended and extended (21 U.S.C. 71-96), in the following respects:

1. Sections 327.16 (a) and (b) would be amended to read:

§ 327.16 Marking and labeling of product "U.S. inspected" and passed for importation; application of inspection legend.

(a) Product which is offered for importation, and which is susceptible of marking, shall, whether or not enclosed in an immediate or true container, bear the name of the country of origin, preceded by the words "product of"; the establishment number assigned by the foreign meat inspection authority and certified to the Division; and such other marks and labels as are necessary for compliance with Part 316 of this subchapter. When such marks are imprints of stamps or brands made with branding ink, such ink shall be harmless and shall create permanent imprints. In case the name of the country of origin appears as part of an official mark of the national foreign government and such name is prominently and legibly displayed, the words "product of" may be omitted.

(b) In addition to the marking of product required under paragraph (a) of this section, the immediate or true container of product offered for importation:

(1) Shall, on the principal display panel of such container, bear a label which prominently and informatively displays in English: (i) The true name of the product; (ii) the name of the country of origin, preceded by the words "product of", immediately under the true name of the product; (iii) the word "ingredients" if the product is fabricated from two or more ingredients, followed by an accurate list of all ingredients in the product, except in the case of any product for which a definition and standard of identity has been prescribed in Part 328 of this subchapter, and which

conforms to such definition and standard and bears such name and other labeling features as are required by the definition and standard; (iv) an accurate statement of the quantity of contents, in accordance with § 317.8(d) of this subchapter; (v) the name and place of business of the manufacturer or packer, or the name and place of business of the distributor, qualified by a true and accurate statement which reveals the connection which such distributor has with the product; and (vi) the establishment number assigned by the foreign meat inspection authority and certified to the Division, except that such establishment number may be omitted from a label lithographed directly on a can if said number is lithographed or embossed elsewhere on the can; and

(2) Shall, if such immediate or true container is a sealed metal container, have the establishment number assigned by the foreign meat inspection authority and certified to the Division embossed or lithographed on the sealed metal container, and such establishment number shall not be covered or obscured by any label or other means.

2. Section 327.17(a) would be amended to read:

§ 327.17 Outside containers of foreign product; marking and labeling.

(a) The outside container in which any immediate or true container of foreign product is shipped to the United States is required to bear, in English, in a prominent and legible manner, (1) the true name of the product; (2) the name of the country of origin; and (3) the establishment number assigned by the foreign meat inspection authority and certified to the Division.

Under the proposed amendments product offered for importation into the United States would be required to display, in an appropriate manner, the identifying foreign establishment number which has been certified to the Meat Inspection Division. This requirement would facilitate tracing the precise origin of imported product and would expedite any investigation respecting such product.

Any person who wishes to submit written data, views or arguments concerning the proposed amendments may do so by filing them in duplicate with the Hearing Clerk, U.S. Department of Agriculture, Washington, D.C., 20250, within 60 days after the date of publication of this notice in the FEDERAL REGISTER. All written submissions made pursuant to this notice will be made available for public inspection at the office of the Hearing Clerk during regular business hours (7 CFR 1.27 (b)).

Done at Washington, D.C., this 23d day of July 1965.

R. K. SOMERS,
Acting Deputy Administrator,
Consumer Protection Con-
sumer and Marketing Service.

[F.R. Doc. 65-7950; Filed, July 27, 1965;
8:48 a.m.]

FEDERAL AVIATION AGENCY

[14 CFR Part 71]

[Airspace Docket No. 63-80-63]

CONTROL ZONE, TRANSITION AREA AND CONTROL AREA EXTENSION

Proposed Alteration, Designation, and Revocation

The Federal Aviation Agency is considering amendments to Part 71 of the Federal Aviation Regulations that would revoke the Charleston, S.C., control area extension, alter the Charleston control zone, and designate a transition area at Charleston.

As parts of these proposals relate to the navigable airspace outside the United States, this notice is submitted in consonance with the ICAO International Standards and Recommended Practices.

Applicability of International Standards and Recommended Practices, by the Air Traffic Service, FAA, in areas outside domestic airspace of the United States is governed by Article 12 and Annex 11 to the Convention on International Civil Aviation (ICAO), which pertains to the establishment of air navigation facilities and services necessary to promoting the safe, orderly and expeditious flow of civil air traffic. Its purpose is to insure that civil flying on international air routes is carried out under uniform conditions designed to improve the safety and efficiency of air operations.

The International Standards and Recommended Practices in Annex 11 apply in those parts of the airspace under the jurisdiction of a contracting state, derived from ICAO, wherein air traffic services are provided and also whenever a contracting state accepts the responsibility of providing air traffic services over high seas or in airspace of undetermined sovereignty. A contracting state accepting such responsibility may apply the International Standards and Recommended Practices to civil aircraft in a manner consistent with that adopted for airspace under its domestic jurisdiction.

In accordance with Article 3 of the Convention on International Civil Aviation, Chicago, 1944, state aircraft are exempt from the provisions of Annex 11 and its Standards and Recommended Practices. As a contracting state, the United States agreed by Article 3(d) that its state aircraft will be operated in international airspace with due regard for the safety of civil aircraft.

Since this action involves, in part, the designation of navigable airspace outside the United States, the Administrator has consulted with the Secretary of State and the Secretary of Defense in accordance with the provisions of Executive Order 10854.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should identify the airspace docket number and be submitted in triplicate to the Director, Southern Region, Attention: Chief, Air Traffic Division, Federal Avia-

tion Agency, Post Office Box 20636, Atlanta, Ga., 30320. All communications received within 45 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendments. The proposals contained in this notice may be changed in the light of comments received.

An official docket will be available for examination by interested persons at the Federal Aviation Agency, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C., 20553. An informal docket also will be available for examination at the office of the Regional Air Traffic Division Chief.

The Federal Aviation Agency, having completed a comprehensive study of the terminal airspace structure requirements in the Charleston, S.C., terminal area, including studies attendant to the implementation of the provisions of CAR Amendments 60-21/60-29, proposes the airspace actions hereinafter set forth.

1. The Charleston, S.C., control area extension would be revoked.

2. The Charleston, S.C., control zone would be amended to read as that airspace within a 5-mile radius of Charleston AFB/Municipal Airport (latitude 32°53'55" N., longitude 80°02'20" W.); within 2 miles each side of the Charleston VORTAC 018° True radial, extending from the 5-mile radius zone to 8 miles north of the VORTAC; within 2 miles each side of the Charleston VORTAC 140° True radial, extending from the 5-mile radius zone to 6 miles SE of the VORTAC; within 2 miles each side of the Charleston VORTAC 211° True radial, extending from the 5-mile radius zone to 8 miles southwest of the VORTAC; within 2 miles each side of the Charleston ILS localizer NW course, extending from the 5-mile radius zone to the LOM; within 2 miles each side of the Charleston VORTAC 332° True radial, extending from the 5-mile radius zone to 8 miles northwest of the VORTAC.

3. The Charleston, S.C., transition area would be added as that airspace extending upward from 700 feet above the surface within a 7-mile radius of the Charleston AFB/Municipal Airport; within 8 miles SW and 5 miles NE of the Charleston ILS localizer NW course, extending from the outer marker to 12 miles NW of the OM; within 8 miles SW and 5 miles NE of the Charleston VORTAC 332° True radial, extending from the VORTAC to 12 miles NW of the VORTAC; and that airspace extending upward from 1,200 feet above the surface bounded by a line beginning at the intersection of the SE boundary of V-3 and latitude 33°30'00" N., thence east to the intersection of the SE boundary of V-1 and latitude 33°16'00" N., thence NE along the SE boundary of V-1, to and counterclockwise along the arc of a 25-mile radius circle centered on the Myrtle Beach AFB, Myrtle Beach, S.C., (latitude 33°40'45" N., longitude 78°55'45" W.), to and SW along a line 5 miles SE of and parallel to the Myrtle Beach VORTAC 214° True radial, to and

clockwise along the arc of a 38-mile radius circle centered on the Charleston VORTAC, to and W along a line 5 miles S of and parallel to the Charleston VORTAC 109° True radial to a point 3 nmi E of the shoreline, thence SW along a line 3 nmi from the shoreline to latitude 32°29'30" N., longitude 80°12'00" W., thence to latitude 32°45'50" N., longitude 80°30'30" W., to latitude 32°44'00" N., longitude 80°43'25" W., thence to the intersection of the SE boundary of V-3 and latitude 32°44'00" N., thence NE along the SE boundary of V-3 to the point of beginning; and that airspace extending upward from 1,700 feet MSL bounded on the E by V-437 (as proposed in Airspace Docket No. 64-SO-58), on the S by the 1,200-foot portion of the Charleston transition area, and on the NW by the SE boundary of V-3, excluding the portion that would coincide with the Florence, S.C., transition area.

The proposed control zone would provide protection for aircraft executing all prescribed instrument approaches to the Charleston AFB/Municipal Airport. The proposed transition area would provide protection for aircraft executing IFR approaches, missed approach procedures, departures, procedure turns, holding patterns, transition routes, and radar vectoring patterns.

The proposed transition area would overlap portions of the Myrtle Beach, S.C., and Columbia, S.C., control area extensions, and W-177. W-177 is being altered by separate action to be compatible with the proposed transition area. Revocation of the Columbia and Myrtle Beach control area extensions will be processed at a later date as a part of the CAR Amendments 60-21/60-29 implementation program for adjacent areas.

Certain minor revisions to prescribed instrument procedures would be effected in conjunction with the actions proposed herein, but operational complexities would not be increased nor would aircraft performance characteristics or present landing minimums be affected adversely.

Specific details of the changes to procedures and minimum instrument flight rules altitudes that would be required may be examined by contacting the Chief, Airspace Utilization Branch, Air Traffic Division, Southern Region, Federal Aviation Agency, Post Office Box 20636, Atlanta, Ga., 30320.

These amendments are proposed under sec. 307(a) and 1110 of the Federal Aviation Act of 1958 (49 U.S.C. 1348, 1510), and Executive Order 10854 (24 F.R. 9565).

Issued in Washington, D.C., on July 21, 1965.

H. B. HELSTROM,
Acting Chief, Airspace Regulations
and Procedures Division.

[F.R. Doc. 65-7909; Filed, July 27, 1965;
8:45 a.m.]

FEDERAL HOME LOAN BANK BOARD

[12 CFR Part 525]

[19,285]

FEDERAL HOME LOAN BANK SYSTEM

Short Term Advances

JULY 22, 1965.

Resolved that, pursuant to Part 508 of the General Regulations of the Federal Home Loan Bank Board (12 CFR Part

508), it is hereby proposed that § 525.32 of the regulations for the Federal Home Loan Bank System (12 CFR 525.32) be amended by an amendment the substance of which is as follows:

Amend § 525.32 to read as follows:

§ 525.32 Short term advances.

In addition to unsecured or secured advances with a maturity of not to exceed 1 year which may be made under the provisions of section 11(g)(4) of the Act, advances on an unsecured basis or on any kind of security that may be readily available may be made to members under the provisions of section 11(g)(3) of the Act. Such advances must have been unanimously approved by the executive committee of the Bank or by a majority of the directors or by 2 officers of the Bank and shall either be paid at maturity or refunded with eligible collateral. Except with the prior approval of the Board, the resulting aggregate of advances made under this section, together with the unpaid principal of any other advances having an unexpired maturity of more than 30 days excluding advances made in accordance with or secured as provided in § 525.10, § 525.25, or § 525.26, shall not exceed 5 per centum of the member's withdrawable accounts.

(Sec. 17, 47 Stat. 736, as amended; 12 U.S.C. 1437. Reorg. Plan No. 3 of 1947, 12 F.R. 4981, 3 CFR, 1947 Supp.)

Resolved further that all interested persons are hereby given the opportunity to submit written data, views, or arguments on the following subjects and issues: (1) Whether said proposed amendment should be adopted as proposed; (2) whether said proposed amendment should be modified and adopted as modified; (3) whether said proposed amendment should be rejected. All such written data, views, or arguments must be received through the mail or otherwise at the Office of the Secretary, Federal Home Loan Bank Board, Federal Home Loan Bank Board Building, 101 Indiana Avenue NW., Washington, D.C., 20552, not later than August 28, 1965, to be entitled to be considered, but any received later may be considered in the discretion of the Federal Home Loan Bank Board.

By the Federal Home Loan Bank Board.

[SEAL]

HARRY W. CAULSEN,
Secretary.

[F.R. Doc. 65-7953; Filed, July 27, 1965;
8:48 a.m.]

INTERSTATE COMMERCE COMMISSION

[49 CFR Part 193]

[Ex Parte No. MC-40]

PARTS AND ACCESSORIES NECESSARY FOR SAFE OPERATION

Qualifications and Maximum Hours of Service of Employees of Motor Carriers and Safety of Operation and Equipment

At a session of the Interstate Commerce Commission, Motor Carrier Board No. 2, held at its office in Washington, D.C., on the 28th day of June A.D. 1965.

The matter of parts and accessories necessary for safe operation under the Motor Carrier Safety Regulations prescribed by order of April 14, 1952, as amended, being under consideration; and

It appearing, that continuing study, investigation and experience have established facts which warrant amendment of Part 193 of the Motor Carrier Safety Regulations relating to parts and accessories necessary for safe operation,

It further appearing, that due to serious accidents which have resulted from the use of portable heaters and that clarification is needed as to what type of means shall be provided to establish a check valve to be in working order to safeguard air or vacuum reservoirs, it is necessary to prohibit portable heaters in spaces occupied by persons and to prescribe a specific manner in which a check valve or equivalent device can be determined to be in working order, therefore;

It is ordered, That pursuant to section 4(a) of the Administrative Procedure Act (60 Stat. 237, 5 U.S.C. 1003) notice is hereby given of the Commission's proposal to amend §§ 193.50(b)—*Safeguarding of air and vacuum* and 193.77—*Heaters* as follows:

§ 193.50 Reservoirs required.

(b) *Safeguarding of air and vacuum.*

(1) As provided in paragraph (c) of this section, every bus, truck, and truck-tractor, when equipped with air or vacuum reservoirs and regardless of date of manufacture, shall have such reservoirs so safeguarded by a check valve or equivalent device that in the event of failure or leakage in its connection, to the source of compressed air or vacuum the air or vacuum supply in the reservoir shall not be depleted by the leak or failure.

(2) Means other than loosening or disconnection of any connection between the source of compressed air or vacuum and the check valve, and necessary tools for operation of such means, shall be provided to prove that the check valve is in working order. The means shall be readily accessible either from the front, side, or rear of the vehicle, or from the driver's compartment.

(a) In air brake systems with one reservoir, and in vacuum systems with vacuum pumps, the means shall be a cock, valve, plug, or equivalent device arranged to vent a cavity having free communication with the connection between the check valve and the source of compressed air or vacuum.

(b) Where air is delivered by a compressor into one tank or compartment (wet tank), and air for braking is taken directly from another tank or compartment (dry tank) only, with the required check valve between the tanks or compartments, a manually operated drain cock on the first (wet) tank or compartment will serve as the means herein required if it conforms to the requirements herein.

(c) In vacuum systems without vacuum pumps, stopping the engine will serve as the required means, the system remaining evacuated as indicated by the vacuum gauge.

§ 193.77 Heaters.

On every motor vehicle, every heater shall comply with the following requirements:

(b) *Prohibited types of heaters.* The installation or use of the following types of heaters is prohibited:

(6) *Portable heaters.* Portable heaters shall not be used in any space occupied by persons.

(c) *Heater specifications.* All heaters shall comply with the following specifications:

(12) *Heater, automatic fuel control.* Gravity or siphon feed shall not be permitted for heaters using liquid fuels. Heaters using liquid fuels shall be equipped with automatic means for shutting off the fuel or for reducing such flow of fuel to the smallest practicable magnitude, in the event of overturn of the vehicle. Heaters using liquefied petroleum gas as fuel shall have the fuel line equipped with automatic means at the source of supply for shutting off the fuel in the event of separation, breakage, or disconnection of any of the fuel lines between the supply source and the heater.

(Sec. 204, 49 Stat. 546, as amended; 49 U.S.C. 304)

It is further ordered, That prior to final adoption of such regulations, consideration will be given to any written statements containing data, views, or arguments concerning the subject matter hereof which are submitted on or before August 15, 1965; that no oral hearing is contemplated and any request for oral hearing shall be supported by an explanation as to why evidence to be presented cannot reasonably be submitted in written form. One original signed copy and five (5) additional copies of such written statements containing data, views, or arguments shall be submitted in accordance with the Commission's general rules of practice.

It is further ordered, That notice of this proceeding shall be given to motor carriers, other persons of interest and to the general public by depositing a copy thereof in the Office of the Secretary of the Interstate Commerce Commission, Washington, D.C., and by filing a copy thereof with the Director, Office of the Federal Register.

By the Commission, Motor Carrier Board No. 2.

[SEAL]

BERTHA F. ARMES,
Acting Secretary.

[F.R. Doc. 65-7937; Filed, July 27, 1965; 8:47 a.m.]

Notices

DEPARTMENT OF THE TREASURY

Internal Revenue Service

ORGANIZATION AND FUNCTIONS

This material supersedes the statement on organization and functions published at 26 F.R. 6372-6395, as amended by 26 F.R. 8494, 11219, and 11220.

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(SEAL) **SHELDON S. COHEN,**
Commissioner of Internal Revenue.

1112 Service organization.

(1) The Internal Revenue Service is a component part of the Treasury Department. The Service is headed by the Commissioner of Internal Revenue who serves under the direction of the Secretary of the Treasury.

(2) The Internal Revenue Service consists of a National Office in Washington, D.C., and a field organization. The latter consists of 7 Internal Revenue regions, each headed by a Regional Commissioner who reports to the Deputy Commissioner, 58 Internal Revenue districts, each headed by a District Director, 7 service centers, each headed by a Director who reports to a Regional Commissioner, and a computer center and a data center under the direction of the Assistant Commissioner (Data Processing) in the National Office. In addition, there are in the field 7 Regional Inspectors and 7 Regional Counsels, who report to the Assistant Commissioner (Inspection) and the Chief Counsel, respectively in Washington, D.C.

(3) In administering the alcohol and tobacco tax and appellate functions direct from the regional office, the Regional Commissioner maintains and supervises several branch offices. The Alcohol and Tobacco Tax branch offices are headed by Supervisors in Charge who report to the Assistant Regional Commissioner (Alcohol and Tobacco Tax). The Appellate branch offices are headed by Chiefs or Assistant Chiefs, Appellate Branch Office, who report to the Assistant Regional Commissioner (Appellate) who also carries the title of Chief, Appellate Division. The Regional Counsels also maintain and supervise branch offices.

(4) In each Internal Revenue district there are offices in communities where concentration of work load in audit, collection, or intelligence activities requires the assignment of personnel.

(5) Field office addresses are shown in the Appendixes.

1113 National Office.

1113.1 Mission.

The mission of the National Office is to develop broad nationwide policies and programs for the administration of the internal revenue laws and related statutes, and to direct, guide, coordinate, and

control the endeavors of the Internal Revenue Service.

1113.2 Basic organization.

The principal offices which form the National Office are: The Office of the Commissioner; the Office of the Assistant Commissioner (Administration); the Office of the Assistant Commissioner (Compliance); the Office of the Assistant Commissioner (Data Processing); the Office of the Assistant Commissioner (Inspection); the Office of the Assistant Commissioner (Planning and Research); the Office of the Assistant Commissioner (Technical); and the Office of the Chief Counsel.

1113.3 Office of the Commissioner.

The Commissioner of Internal Revenue, in conformity with policies and delegations of authority made by the Secretary of the Treasury, establishes the policies and administers the activities of the Internal Revenue Service. The Office of the Commissioner includes the Deputy Commissioner, the Assistant to the Commissioner, and the Foreign Tax Assistance Staff.

1113.31 Deputy Commissioner.

The Deputy Commissioner assists and acts for the Commissioner in planning, directing, coordinating, and controlling the policies and programs and in giving executive leadership to the activities of the Internal Revenue Service. The Deputy Commissioner also supervises the Regional Commissioners of Internal Revenue, and makes allocations of funds and personnel to them.

1113.32 Assistant to the Commissioner.

The Assistant to the Commissioner reviews and takes final action for the Commissioner on documents involving technical matters prepared for the Commissioner's signature, including regulations, closing agreements, reports on proposed legislation, rulings, correspondence, authorizations to the Attorney General for initiating suits, compromises and reports to the Joint Committee on Internal Revenue Taxation involving refunds or credits of any income, war profits, excess profits, estate, or gift taxes in excess of \$100,000. The Assistant to the Commissioner makes independent studies for the Commissioner.

1113.33 Foreign Tax Assistance Staff.

The Foreign Tax Assistance Staff provides general assistance in the field of tax administration to officials and other representatives of foreign governments in accordance with the foreign policy of the United States and its commitments to the Organization of American States, the United Nations, and other international institutions. This assistance may include visitation programs, facilitating recruitment of specialized personnel, arranging for training programs, furnishing of Manuals and other materials, and

direct advisory services to foreign officials in the United States and abroad. It also conducts surveys and studies as a basis for evaluating problems and progress of foreign governments in strengthening and improving their tax administration. The Staff also maintains liaison with the Office of the Secretary on matters concerning foreign tax assistance.

1113.4 Office of Assistant Commissioner (Administration).

The Assistant Commissioner (Administration) is the principal assistant to the Commissioner in planning and executing the Administration program of the Internal Revenue Service, which includes fiscal management, personnel, facilities management, training, public information, employment policy, and management improvement. Jointly, with other Assistant Commissioners, he participates in the general management of the Service by coordinating Administration with other functions to accomplish the objectives of a comprehensive and well-integrated Revenue program. On general administrative matters represents the Commissioner in relationships with the Congress; the Treasury Department Office of the Secretary and other components of the Treasury Department; and such agencies as the Bureau of the Budget, the Civil Service Commission and General Services Administration. Supervises the activities of the Fiscal Management, Personnel, Facilities Management, Training, and Public Information Divisions in the National Office, and is responsible for functional supervision of Administration activities in the field.

1113.41 Facilities Management Division—Office of the Director.

Develops, directs, coordinates and evaluates policies and programs for providing essential support activities for the operating divisions' primary programs and carries them out in the National Office. Its programs are designed to increase the effectiveness of the Internal Revenue Service, reduce its operating costs and improve taxpayer relations by tailoring Internal Revenue Service physical facilities and by providing support services to best meet the Service's total needs. These programs include paperwork, space, property and supply management, procurement and contracting, printing and distribution, national emergency planning, safety, and document and physical security. Develops the standards and procedures necessary for effective performance of its functions. Exercises the authority to settle claims arising out of the activities of the Internal Revenue Service under the Federal Tort Claims Act. This Division consists of four branches: Office Services, Standards and Programs, Emergency Planning, and Publications.

1113.411 Office Services Branch.

Within the framework of the Service policies and procedures developed by the Division, plans, organizes, administers and reviews the support services for the National Office. These support services include procurement, contracting, property management, building maintenance, communications, supplies, transportation, travel, equipment and vehicle repairs, mail and messenger services, records administration activities and space assignment and utilization. Maintains liaison with other Government agencies, public utilities, private carriers, and other public and private organizations to coordinate and improve service in these activities.

1113.412 Standards and Programs Branch.

Plans, develops, promotes, and coordinates specific standards and programs designed to increase the effectiveness of Internal Revenue Service office operations. These programs include: management of paperwork and records documentation—forms management, correspondence management, file systems, methods and equipment, data storage and retrieval, application of microphotography, and records disposition; space management—space acquisition planning, space utilization, and space maintenance; the communications management program—mail and messenger systems, and electric and electronics systems; supply management program—the procurement, receipt, storage, and issue of material; a property management program—contracting, procurement, property accountability and utilization; and motor vehicle fleet management—acquisition, utilization and maintenance. Determines need for program emphasis and goals, develops the programs and promotes and coordinates their acceptance and implementation with other components of the Service. Standards techniques, guidelines, and consultative services needed in these areas by the Service are provided by the branch. Collaborates with the Systems Development Division in all matters involving data storage and retrieval and new systems using electric and electronic equipment, etc. Acts as liaison for Internal Revenue Service with Federal and State Governments and industry in coordinating and implementing Government-wide policies and procedures governing these program activities.

1113.413 Emergency Planning Branch.

Coordinates and develops the Service's plans and preparations to maintain the continuity of essential functions during a National Emergency and provides direction in drawing up an over-all plan taking into consideration the operating requirements of all activities of the Service. Administers broad programs, policies and plans to insure continuity of Service operations by preventing loss through fire, accident, theft, employee injury and breaches of security of buildings, facilities, equipment, documents and identification. Discharges the responsibilities of the Internal Revenue

Service in connection with claims under the Federal Tort Claims Act.

1113.414 Publications Branch.

Develops and coordinates the policies, programs, procedures, and standards for all Internal Revenue Service printing programs and visual presentation services; plans and directs the requirements, production and distribution of all printing; provides for planning and reproduction of all types of visual presentations; develops policies, procedures, and standards for Internal Revenue Service field printing establishments and contract field printing and represents Internal Revenue Service in liaison with printing regulatory agencies in interpreting, coordinating and administering Government-wide printing and publications policies; and provides the consultative services needed in these areas.

1113.42 Fiscal Management Division.

Develops, plans, coordinates and evaluates the financial management and budget policies and programs of the Internal Revenue Service. Develops and assists in the justification of the Service's budget; advises on its execution; establishes procedures covering the accounting system for appropriated funds; and directs the budget and fiscal activities carried out in the National Office. Counsels and advises the Commissioner, the Deputy Commissioner and all levels of management on matters concerning budget and the fiscal management of funds appropriated for the administration of the Service. The Division, under the direction of the Fiscal Management Officer, consists of two branches: Accounting Branch and Budget Branch.

1113.421 Accounting Branch.

The Accounting Branch develops, prescribes, and installs the Service's financial accounting system to produce timely and accurate data for budgetary and fiscal management purposes. It also collaborates with the Reports Division in developing and administering the financial reporting system.

1113.422 Budget Branch.

The Budget Branch develops the Service's budget in conformance with the established over-all program policies through consultation and cooperation with the responsible operating officials. It prescribes budget procedures and directs the preparation of budget estimates for the Service; participates in the development of standards for the measurement of work necessary in the justification of estimates or the evaluation of financial plans; prepares requests for the apportionment and reapportionment of appropriations; allots funds in accordance with the approved financial plan and properly authorized revisions thereof; establishes the procedures and records necessary to properly reflect the execution of the budget; and collaborates with the Reports Division in developing and administering a reporting system reflecting the status of the budget and financial plan.

1113.43 Personnel Division—Office of the Director.

Plans, directs and leads in the development, coordination and evaluation of the personnel policies and programs of the Service. Provides functional supervision over personnel operations throughout the Service and personnel programs in the regions, districts and service centers, including long-range planning, organization and staffing studies, staff development and program evaluation. Administers centralized personnel activities including those for employees of the National Office. Acts as the appellate office for the Commissioner on adverse action and grievance appeals and designates Hearing Officers when hearings are requested; through the Appeals Officer is responsible for adverse action appeals and for providing assistance in the appeals area; responsible for post review of disciplinary actions, disseminates information on CSC and Court decisions on adverse action appeals. Coordinates and develops policies and procedures for employee conduct, disciplinary actions including adverse actions, outside employment, employee indebtedness, and employee interest in alcohol and tobacco industries. Reviews and makes recommendations on conduct and character background investigations involving centralized positions, and on requests for interpretations or exceptions to outside employment regulations. Assists the field on conduct and character background cases and post audits, on a referral basis, of such cases. Through the Technical Advisor directs appropriate personnel activities to promote effective manpower utilization. Prepares certain Service-wide personnel reports for the Civil Service Commission and other agencies.

1113.431 Employee-Management Cooperation Branch.

Develops and coordinates policies, programs, and procedures for the Service's Employee-Management Cooperation Program under Executive Order 10988, including liaison, consultation, and negotiation with employee organizations, and development of Servicewide positions on matters negotiable with employee organizations. Develops and coordinates grievance programs and handles grievance appeals filed with the Director. Develops and coordinates employee communications programs, including the planning and direction of employee attitude surveys and employee benefits and services including leave, hours of duty, retirement, Social Security, group insurance (life and health benefits), and health programs. Assists field in arranging employee services and coordinates recreational and fund-raising activities. Develops and coordinates comments or proposals on employee-management cooperation and benefits and services legislation, and regulations. Exercises functional supervision over counterpart operations throughout the Service, and participates as functional specialists in evaluation of field programs. Advises officials, and acts as liaison with the Civil Service Commission, Treasury De-

partment, and other Governmental Agencies on policies, programs, and procedures in the employee-management cooperation and benefits and services functional areas.

1113.432 Employee Programs Branch.

Develops and coordinates policies, procedures, and program instructions including technical training programs for the employee programs of the Service such as: recruitment; selection; placement; appointment; career status; qualifications evaluation; promotion plans; details; veterans' preference; orientation and placement follow-up; reduction-in-force; equal employment; separations; awards and incentive programs; high quality increases; and fitness for duty. Develops and coordinates redeployment programs and procedures; coordinates, as required, personnel programs affecting service center installations. Develops and coordinates policies and procedures pertaining to participation of the Service in Boards of U.S. Civil Service Examiner programs. Exercises functional personnel direction over the implementation and follow-through on career development programs. Reviews and advises on budgetary and staffing proposals relative to recruitment, selection and utilization of personnel. Exercises functional supervision over counterpart operations throughout the Service, and participates as functional specialists in evaluation of field programs. Reviews and makes recommendations on promotion appeals. Provides staff expertise in personnel management techniques for the development and application of automated processes to personnel management.

1113.433 National Office Branch.

Develops and executes policies, programs and procedures relating to recruitment, selection, placement, employee relations, position classification, discipline, performance evaluation, promotion, manpower utilization, and other aspects of a complete personnel program for National Office and certain field positions with the exception of those requiring Treasury or Civil Service approval; reviews the budget for proposed position reallocations pertinent to the above positions. In addition, performs the following duties pertaining to Servicewide programs; renders support to the Foreign Tax Assistance Staff; provides staff assistance to the National Selection Board which selects and assigns executive personnel; administers National Placement Program; performs essential personnel services for career programs for supervisory and managerial positions; reviews and processes regional employment cases for which authority has not been delegated to regions; processes Section 6(c) retirement cases and proposals for Gallatin Awards; and answers general inquiries and other correspondence concerning applications for employment, reassignment, promotions, etc. Reviews and makes recommendations of security cases Servicewide.

1113.434 Position Programs and Methods Branch.

Develops and coordinates policies, procedures, and program instructions for

the position classification, employee performance evaluation, pay administration, noncompetitive staffing, and career programs of the Service. Develops and coordinates occupational standards and guides including classification, qualification and performance standards, qualification rating keys and criteria and techniques for making classification, qualifications, and training selection determinations. Reviews and counsels on position classification implications of budgetary and financial planning with respect to proposed grade structure changes as justified by data on available workload and conformance with existing classification guides and standards. Provides staff expertise in personnel management techniques including the conduct and direction of studies requiring the use of psychological and other social science methodology. Reviews and makes recommendations on CSC central office and Treasury classification and qualification standards. Exercises functional supervision over counterpart operations throughout the Service and participates as functional specialists in evaluating field programs. Performs such centralized services as classification of positions for which authority has not been delegated, preparation of super-grade recommendations, and justification, and development of standard position descriptions. Adjudicates classification appeals and administers Wage Board Program. Develops and coordinates the personnel management portion of the Service's emergency readiness plan. With assistance from Training Division, develops, negotiates and administers Servicewide training agreements, and develops standards for selection of personnel for training.

1113.44 Public Information Division.

Plans, develops and coordinates the Service-wide policies and programs for providing information to the public through the press, radio, television and other informational, educational and professional media, to improve general knowledge and understanding of the Federal tax laws and their administration, for the primary purpose of encouraging and facilitating maximum compliance with the voluntary system of taxation. It counsels and advises the Commissioner and other levels of management where public interest or response is involved in the determination of Service policy and execution of tax programs; evaluates for the Commissioner the attitude of the public toward Revenue Service policy and programs and recommends corrective measures where indicated; conducts continuous studies of the Service's information program to identify and act on problems and opportunities for improvement; maintains liaison with and gives functional guidance to regional and district offices in the public information area; and carries out the public information program at the National Office.

1113.45 Training Division—Office of the Director.

The Director, Training Division, formulates and recommends the over-all training policies of the Internal Revenue Service and provides professional train-

ing leadership and guidance to Service Officials and personnel. The Director conducts research and special studies to determine the best methods of employee development for the Service and provides expert advice and counsel on training techniques and methodology including the use of audio visual aids. In cooperation with the separate functions, the Director identifies the need for, and administers Service training programs; is responsible for development and preparation of training courses and program materials; supports the Foreign Tax Assistance Staff in defining training needs of foreign tax officials and in developing and implementing training programs to meet these needs; determines program emphasis and goals; establishes standards and procedures for the effective and efficient administration of Service training programs; and evaluates training for effectiveness and economy. He administers the Teaching Taxes program and coordinates the efforts of the National Office Divisions concerned. He supports the field efforts in the Taxpayer Education program. He further advises on training cost estimates for all Servicewide training; administers the special fiscal allotment (250) used to finance centralized training activities; and carries out the training policies and programs of the Service in the National Office. The Division consists of the Director's Office, the Administrative Office, National Office Training Branch, Programs and Standards Branch, and the National Training Center.

1113.451 Administrative Office.

The Administrative Office provides staff assistance to the Director in carrying out the administrative management functions of the Division, and also provides all necessary administrative support for internal operations. The administrative services include various management analysis activities and studies; coordination and development of financial plans; administration of the centralized training allotment; cost estimating; preparation of long range staffing plans and requirements; space, records, and reports management; contract liaison; and personnel, mail and files, logistical, and clerical support services.

1113.452 National Office Training Branch.

The National Office Training Branch carries out established training policies and administers training programs for National Office employees. The Branch provides professional training leadership and guidance to National Office officials and personnel. It assists National Office officials in determining training needs and defining training objectives. In collaboration with the National Office officials, the Branch determines the appropriate kind and source of training for National Office personnel; manages functional training classes for National Office employees, and trains, counsels and evaluates instructors and instruction for the National Office. It provides inter-functional training in supervision, communications, clerical skills and the like. The Branch reviews training agreements for National Office employees, outlines

training to be given under the agreements, and assists in the clearance and administration of training agreements as required. It evaluates and reports on the overall adequacy, effectiveness and economy of training in the National Office.

1113.453 Programs and Standards Branch.

The Programs and Standards Branch formulates and recommends overall training policies for the Internal Revenue Service. It determines Service training emphasis and goals and coordinates their acceptance with other components of the Service. The Branch assists management in the determination of organizational and individual training needs; provides professional training leadership and guidance to Service officials in defining training objectives and planning training programs. In cooperation with the separate functions, National Training Center, and the Regional Offices, the Branch plans and develops specific training standards and programs; plans the Taxpayer Education Program; and supports the Foreign Tax Assistance Staff in defining training needs of foreign tax officials. In addition, the Branch studies and evaluates the various training programs; plans improvements in training effectiveness and economy; and coordinates the evaluation of Service-wide training programs. The Branch reviews Service-wide training agreements developed by the Personnel Division, outlines training to be given under the agreement, and assists in the clearance and administration of training agreements as required. The Branch plans research in the field of training and makes special studies to determine the best methods of employee development for the Service.

1113.454 National Training Center.

The National Training Center develops and maintains on a current basis all training courses and materials for Service-wide programs and directs the activities of permanently assigned faculty instructors, education and training specialists, functional specialists and detailed technicians, and other assigned personnel; plans, administers and conducts nationally centralized classes and administers Internal Revenue Service Correspondence Courses; and further develops courses and conducts centralized training for Service instructors, course developers, and other personnel engaged in training activity. The Center provides adequate classrooms, special training space, equipment, facilities, and professionally trained instructors for centralized courses conducted at the Center, and provides for storage, control, and distribution of training course materials. The Director, National Training Center, is responsible for evaluating the quality of the professional work product and effort of the Center; conducts research, analysis and evaluation of new or improved methods and techniques of training, including audiovisual aids, communications vehicles, and mechanical or electronic training devices and systems; and continually reviews the effectiveness of materials, methods, aids, and techniques utilized in

existing programs through practical classroom experience and by analytical projects conducted at the Center.

1113.5 Office of Assistant Commissioner (Compliance).

The Assistant Commissioner (Compliance) is the principal assistant to the Commissioner on all matters pertaining to the compliance and appellate programs of the Service, in encouraging and achieving the highest possible degree of voluntary compliance by taxpayers, and in providing effective functional supervision of those activities in the field. These include collection of delinquent accounts, obtaining of delinquent returns, audit and investigation of returns, criminal fraud investigations, the administrative system of tax appeals, and administration of laws relating to alcohol, alcoholic beverages, tobacco and firearms. The Assistant Commissioner (Compliance) directs, coordinates and evaluates the work of the Alcohol and Tobacco Tax Division, the Appellate Division, the Audit Division, the Collection Division, the Intelligence Division and the Office of International Operations.

1113.51 Alcohol and Tobacco Tax Division—Office of the Director.

Accomplishes the Alcohol and Tobacco Tax mission with reference to alcohol, tobacco and firearms by developing and supervising (functional supervision—which includes evaluation) nationwide programs for: regulation and supervision of the legal industries for revenue and social control purposes, and to protect the consumer and eliminate improper trade practices in the alcohol beverage industries; suppression of illicit traffic and frauds on the revenue in these commodities by developing information concerning violations, investigating suspected violations and recommending prosecution when warranted; and measurement of the effectiveness of the regulatory, supervisory, investigative and prosecution processes. The Division also performs certain centralized Alcohol and Tobacco Tax functions such as those pertaining to legislation, issuing regulations and rulings, making centralized determinations, performing final review on appeals, and supplying a variety of technical, laboratory and specialized services within the Service and to others.

1113.511 Executive Assistant.

Provides staff assistance to the Director in the general management of the Alcohol and Tobacco Tax operations and in the formulation of policy and program plans in the areas of organization, personnel, financial planning, funds management, and appraisal of field operations; both on a continuing basis and through specific management studies. Develops and coordinates the Division-wide program for planned systematic visitation to apprise top management, through on-site evaluation, of the effectiveness of field office performance in both the program and management areas. Works with Assistant Regional Commissioners in evaluating program results in the regions. Provides required office management and administrative services for the national office division.

1113.512 National Office Laboratory.

Responsible for formulating, developing, and carrying out programs for the application of scientific methods to the solution of problems of the Alcohol and Tobacco Tax and Tax Rulings Division of the Internal Revenue Service having impact on the collection of the revenue. Furnishes technical advice and assistance to officials of the Internal Revenue Service in the fields of chemistry and physics. Conducts research to improve and develop analytical techniques and to resolve technical problems by physical or chemical methods. Examines and analyzes samples, formulas and processes of permittees under the jurisdiction of the Alcohol and Tobacco Tax Division to determine taxable status and examines samples for the Bureau of Narcotics. Coordinates the National Office and Regional Laboratory Programs.

1113.513 Basic Permit and Trade Practice Branch.

Responsible for formulating, developing, and carrying out programs for the administration and enforcement of the Federal Alcohol Administration Act. Plans and conducts studies of industry trends in marketing which might have an impact on the programs of the Branch. Recommends revision or amendment of regulations and prepares notices of hearings thereon; analyzes and evaluates testimony developed at hearings; and drafts final regulations and such related forms or internal management documents as required. Makes rulings and interpretations of law and regulations for benefit of industry, regional offices, other Federal agencies, State agencies, and embassies of foreign governments. Collaborates with foreign governments in their development of control procedures abroad to supplement domestic controls established with respect to the importation of their products into the United States. Acts on applications for interlocking directorates and for certificates of (or exemption from) label approval. Determines acceptability of alcoholic beverage advertising in all media and initiates punitive actions for violations of advertising provisions of law and regulations. Maintains liaison with regional offices to appraise the effectiveness of Branch programs.

1113.514 Enforcement Branch.

Responsible for: Formulating and developing policies, programs, procedures, and regulations relating to the investigation, prevention and detection of willful and/or fraudulent violations of the Internal Revenue Liquor and Tobacco Laws, the Liquor Enforcement Act of 1936, the Federal Alcohol Administration Act, and the National and Federal Firearms Acts; control and coordination of the law enforcement activities of the Division with related functions of other Federal agencies and with those of State authorities; adaptation of investigative techniques and procedures to the varying needs of different regions, to a diversity of State control laws and their fluctuating requirements and to the constantly changing social and economic conditions affecting the enforcement operations of

the Division; providing guidance and training to field elements, for effective application of policies and programs; and appraising management of field offices, as it relates to their enforcement function, through a planned on-site evaluation program.

1113.515 Permissive Branch.

Responsible for developing the objectives of the Division in the administration of Internal Revenue laws relating to the production, processing, distribution, and use of alcoholic beverages, industrial alcohol, and related products. Devises policies and programs and designs the organizational structure to achieve these objectives. Plans, develops, and prepares regulations, procedures, and rulings, and provides guidance and training to field elements, for effective application of policies and programs; and appraises management of field offices, as it relates to functional areas other than enforcement, through a planned on-site evaluation program.

1113.516 Tobacco Tax Branch.

Responsible for planning, developing, and expressing the program for the administration of the Internal revenue laws relating to tobacco materials, tobacco products, and cigarette papers and tubes. Formulates policies, practices, procedures, and regulations relating to the manufacture and taxpayment or tax-exempt disposition of tobacco products and cigarette papers and tubes, and to the handling of tobacco materials. Conducts analytical studies of the laws, regulations, policies, practices, and procedures, and appraises field operations, to determine the efficiency and effectiveness of the tobacco tax program. Formulates recommendations for revision of internal revenue laws in the tobacco tax area. Interprets laws and regulations, makes tax determinations, and issues rulings and instructions; prepares internal management documents and forms; analyzes recurring problems and develops solutions; and prepares final decisions in cases where the action of regional offices is protested or appealed.

1113.52 Appellate Division—Office of the Director.

Accomplishes the Appellate mission of resolving tax controversies without litigation, on a basis which is fair and impartial to both the Government and the taxpayer by development and supervising (functional supervision) nationwide programs for final appeal consideration, within the Service, of cases involving income, profits, estate, gift, employment and excise taxes (other than alcohol, tobacco, narcotics, firearms, and wagering), offers-in-compromise, refund claims and overassessments, in which the taxpayer protests the decision of the District Director, and in docketed cases (with concurrence of Regional Counsel and prior to the opening date of the Tax Court session concerned) in which the Tax Court is petitioned. Also directs or performs the analysis of refund cases requiring review by the Congressional Joint Committee on Internal Revenue Taxation and performs certain other centralized Appellate functions.

1113.521 Coordination and Management Staff.

Assists in developing and recommending policies, plans, programs, and basic procedures and provides top-level managerial assistance through the following principal functions: Develops and recommends operations policies, plans, programs, and basic procedures relating to the Appellate function. Assists and advises regional Appellate offices on technical and administrative problems to enable them more effectively to accomplish their objectives. Establishes and conducts a field visitation program, and maintains continuous field liaison to assure that established policies, programs, plans, and instructions are carried out in a uniform, effective manner. Performs coordination functions across regional lines and with other Service elements. Supervises task forces working on special projects such as training, position descriptions, offices systems, and management improvement. Represents the Director in meetings of National Office and regional officials, and staff members serve on various committees as designated. Reviews and appraises proposed staffing in field offices and evaluates personnel for the purpose of advising the Director when he is requested to give clearance approval on certain appointments.

1113.522 Excess Profits Tax Council.

Settles administratively or assists the office of the Chief Counsel in the trial of the few docketed Section 722 cases that still are pending through the following principal functions: Considers and holds administrative hearings in disputed Excess Profits Tax cases and issues arising under Section 722 of the 1939 Code. Prepares interpretative rulings on Section 722 matters. Furnishes assistance and advice to Chief Counsel and Regional Counsel in connection with the preparation and trial of Section 722 cases before the Tax Court of the United States.

1113.523 Operations Analysis Branch.

Analyzes and interprets program status and progress in accomplishing the overall Appellate mission, and assists in analysis and evaluation of budgetary data through the following principal functions: Originates statistical analyses and graphic presentations with explanations and interpretations to disclose program status and progress with trends and deviations highlighted. These analyses serve as the basis for program direction and long range program planning for the Appellate activity. Collaborates with the Reports Division in the development, review, and improvement of the nationwide Appellate reporting and record-keeping systems which provide the Director, his assistants, and staff with statistical information to assist them in evaluating management effectiveness in the regions. Issues instructions for changes and improvements in the systems and coordinates with other organizations on reporting and related matters. Assists in the analysis and evaluation of regional Appellate Division financial plan-

ning and budget execution. Conducts a visitation program to keep advised of the adequacy and accuracy of the reporting and record-keeping systems and assists the regional offices in solving problems involved in preparing and simplifying statistical reports. Provides general administrative services for the Division except for the miscellaneous services performed by the Settlement Analysis Branch (mails, files, distribution and messenger).

1113.524 Procedure and Closing Agreement Branch.

Provides current procedural instructions and public issuances for the Appellate Division and performs the final review for the Commissioner on all closing agreements except those based on Commissioner's ruling letters, through the following principal functions: Plans, directs, and administers the development, preparation, issuance, and interpretation of instructions necessary to implement policies, plans, programs, and procedures relating to the Appellate function. Coordinates all procedural changes with other segments of the Service. Recommends changes in the Code of Federal Regulations for Appellate activities and, when necessary, publication in the FEDERAL REGISTER. Reviews all final closing agreements except those based on Commissioner's ruling letters, preliminary to acceptance by the Commissioner. Maintains liaison with the Joint Committee Division of the Chief Counsel's office on matters relating to cases requiring submission to the Congressional Joint Committee on Internal Revenue Taxation.

1113.525 Settlement Analysis Branch.

Performs qualitative analysis of the work product of the Regional Appellate Divisions and provide them with technical assistance through the following principal functions: Reviews and analyzes action memoranda and supporting statements on cases closed by Regional Appellate Divisions to provide assurance of and to promote uniformity and consistency in the treatment of issues, to assist in maintaining optimum quality of performance and decisions, and to ascertain compliance with procedures and the need for clarifying instructions. Identifies troublesome technical or qualitative areas and trends; and recommends solutions to help regional offices meet their objectives. Conducts special studies (such as Session, Reconsideration, Affirmative Issue, and Fraud cases) to assist the Director and the Assistant Regional Commissioners (Appellate) in their programming and long range planning. Analyzes and digests technical advice and other technical communications for dissemination to regional offices when information is of general Appellate interest. Incident to the above functions, also provides centralized files, mails, distribution and messenger service; and prepares sensitive case reports.

1113.526 Special Services Branch.

Advise and assists in cases involving controversies as to valuation through

the following principal functions: Participates in the development of Service position and procedures in complex valuation matters. Helps to maintain uniformity of treatment of valuation issues throughout the Regional Appellate Divisions by reviewing settlements, furnishing advice, and conducting training sessions. Furnishes expert advice and assistance to the National Office, Regional Appellate Division, and Regional Counsel on difficult valuation problems. Provides expert witnesses to testify at trials involving complex valuation issues. Develops programs and techniques aimed at eliminating, to the greatest extent possible, the need for time consuming trials of valuation issues in the Tax Court or other courts.

1113.53 Audit Division—Office of the Director.

Accomplishes the audit mission with reference to the correct reporting of income, estate, gift, employment and certain excise taxes by developing and supervising (functional supervision) nationwide programs for the examination of tax returns and the disposition of certain offers-in-compromise, and through measurement of the types and degrees of compliance and noncompliance in reported tax liabilities, the determination and analysis of the reasons for non-compliance, and the reduction of non-compliance. The Division also performs certain centralized audit functions.

1113.531 Administrative Services Office.

Furnishes administrative services for the operation of the Audit Division through performance of the following functions: Provides for administrative needs of the Division. Provides centralized mail, files, distribution, messenger, and library services.

1113.532 Analytical Services Staff.

As a staff and service support element provides timely statistical analytical services to the Office of Director and other components of the Audit Division through performance of the following management processes and functions: Receives, compiles, collates and makes available statistical data for management needs. Analyzes and evaluates source data and other information, prepares preliminary interpretations and presents preliminary reports of progress toward accomplishment of audit mission and attainment of stated objectives. Performs across-the-board (horizontal) evaluation of audit programs and activities, including relating of external data such as economic and social data and provides technical assistance to branch chiefs in their detailed (vertical) analysis and evaluation of their specific programs. Researches, develops and disseminates to audit personnel (National Office and field) the most effective and latest statistical methods and techniques and the most effective means for presenting, communicating, and interpreting statistical data; serves as Audit Division consultant on these matters. Provides assistance in program evaluation, general analysis, and in preparation for visits to field offices. Provides assistance as re-

quested by other components of the Audit Division in statistical research on Taxpayer Compliance Measurement Program, evaluation of audit field workload, and other special compliance research and measurement of compliance and noncompliance. Serves as specialist and consultant in analytical methods and other statistical matters and assists district, regional and National Office audit personnel in understanding and utilizing techniques and data resulting from integrated analysis of internal and external data and information.

1113.533 Program Assistance Staff.

As a staff and service support element provides assistance to other components of the Audit Division through performance of the following management processes and functions: Studies organization, functions, responsibilities and staffing when the entire audit activity in the field is involved or when two or more branches of the Audit Division, National Office have program responsibility in a single audit field organizational element; serves as consultant and specialist on these matters. Maintains liaison with Personnel Division on position classification and other personnel matters and coordinates such matters for the Audit Division. Coordinates or assists in general management and other special studies and when authorized performs other non-recurring assignments which are not the responsibility of the Division's other organizational elements; assists in determining permanent functional assignments. Studies, identifies, and implements methods, systems, and procedures for management improvement, work simplification, and better utilization of resources in the field service branch activity. Collaborates and maintains liaison with the Office of the Assistant Commissioner (Data Processing) and, when necessary, with the Office of the Assistant Commissioner (Planning and Research), on information systems requirements for data and data processing, information storage and retrieval matters (including design of reporting systems and report forms as required); coordinates and maintains management surveillance over all these matters within the Audit Division. Collaborates and maintains liaison with the Facilities Management Division in internal forms and records management. Controls and coordinates with the appropriate branch or the Analytical Services Staff, the processing and evaluation of Internal Audit Reports and incentive awards suggestions; assures completed actions on these matters. Assures maintenance and development of Part IV of the Internal Revenue Manual by all organizational elements of the Audit Division on a uniform and current basis and serves as the control point for all published issuances of the Audit Division. Coordinates with the Preexamination Branch in the preparation of the budget for the operating requirements of the Audit Division, National Office.

1113.534 Pre-examination Branch.

Provides program management for Audit Division's functional supervision over the determination and selection of

the examination workload, including compliance research; measurement of compliance and noncompliance; returns selection; monitoring, coordinating, and integrating the workload planning activities of the Division; preparation of the program planning document, and consolidation of work plans with budget and financial documents. Performs the following management processes and functions: Formulates and recommends policy. Conceives and plans programs (short, intermediate and long-range); relates these to program planning documents, preliminary work plans, and budget and financial plans. Implements plans through systems, procedures, methods and other instructions, including development of techniques and training guides. Controls through analysis, evaluation, interpretation and timely reports on status, progress, and trends of programs, activities, and field operations, and through participation in Division visits to field offices and special field visits as required. Collaborates with Program Assistance Staff on management processes and miscellaneous activities involving multiple programs and activities such as data processing, information systems, records management, internal forms management, information storage and retrieval systems, incentive awards program matters and Internal Audit Reports. Coordinates with the Program Assistance Staff on field organization, staffing, position classification, and other field personnel matters. Conducts studies for problem identification, problem solving, planning, and assistance to the regions. Maintains continuing alertness for management improvement, work simplification, and better utilization of resources. Provides completed staff work and full coordination both within and outside the Audit Division.

1113.535 Field Examination Branch.

Provides program management for Audit Division's functional supervision over the conduct of examinations for tax liabilities through field examinations. Performs the following management processes and functions: Formulates and recommends policy. Conceives and plans programs (short, intermediate and long-range); relates these to program planning documents, preliminary work plans and budget and financial plans. Implements plans through systems, procedures, methods and other instructions, including development of techniques and training guides. Controls through analysis, evaluation, interpretation and timely reports on status, progress, and trends of programs, activities, and field operations, and through participation in Division visits to field offices and special field visits as required. Engages in research on audit techniques and on technical and professional development for audit personnel. Collaborates with Program Assistance Staff on management processes and miscellaneous activities involving multiple programs and activities such as data processing, information systems, records management, internal forms management, information storage and retrieval systems, incentive awards program matters and Internal Audit Re-

ports. Coordinates with the Program Assistance Staff on field organization, staffing, position classification, and other field personnel matters. Conducts studies for problem identification, problem solving, planning, and assistance to the regions. Maintains continuing alertness for management improvement, work simplification, and better utilization of resources. Provides completed staff work and full coordination both within and outside the Audit Division.

1113.536 Office Examination Branch.

Provides program management for Audit Division's functional supervision over the conduct of examinations for tax liabilities through office audits. Performs the following management processes and functions: Formulates and recommends policy. Conceives and plans programs (short, intermediate and long-range); relates these to program planning documents, preliminary work plans, and budget and financial plans. Implements plans through systems, procedures, methods and other instructions, including development of techniques and training guides. Controls through analysis, evaluation, interpretation and timely reports on status, progress, and trends of programs, activities, and field operations, and through participation in Division visits to field offices and special field visits as required. Engages in research on audit techniques and on technical and professional development for office audit personnel. Collaborates with Program Assistance Staff on management processes and miscellaneous activities involving multiple programs and activities such as data processing, information systems, records management, internal forms management, information storage and retrieval systems, incentive awards program matters and Internal Audit Reports. Coordinates with the Program Assistance Staff on field organization, staffing, position classification, and other field personnel matters. Conducts studies for problem identification, problem solving, planning, and assistance to the regions. Maintains continuing alertness for management improvement, work simplification, and better utilization of resources. Provides completed staff work and full coordination both within and outside the Audit Division.

1113.537 Post-Examination Branch.

Provides program management for Audit Division's functional supervision over post-examination programs (district conferences, offers-in-compromise, review and post-review) and associated programs and activities including determination letters, pension trust, departing aliens, etc. Performs the following centralized audit activities, management processes, and functions: Formulates and recommends policy. Conceives and plans programs (short, intermediate and long-range); relates these to program planning documents, preliminary work plans, and budget and financial plans. Implements plans through systems, procedures, methods and other instructions, including development of techniques and training guides. Controls through analysis, evaluation, interpretation and timely reports

on status, progress, and trends of programs, activities, and field operations, and through participation in Division visits to field offices and special field visits as required. Collaborates with Program Assistance Staff on management processes and miscellaneous activities involving multiple programs and activities such as data processing, information systems, records management, internal forms management, information storage and retrieval systems, incentive awards program matters and Internal Audit Reports. Coordinates with the Program Assistance Staff on field organization, staffing, position classification, and other field personnel matters. Conducts studies for problem identification, problem solving, planning, and assistance to the regions. Post-reviews Office of International Operations cases in a role comparable to an Assistant Regional Commissioner (Audit). Reviews offers-in-compromise requiring the Commissioner's approval. Maintains continuing alertness for management improvement, work simplification, and better utilization of resources. Provides completed staff work and full coordination both within and outside the Audit Division.

1113.538 Technical Coordination Branch.

Represents the Audit Division in technical and legislative matters and performs the following centralized audit activities: Coordinates technical matters with Appellate Division and the Assistant Commissioner (Technical), including Technical Coordinator Program, requests for technical advice, Appellate Division actions, and review of tax briefs. Maintains file and makes appropriate briefing reports on sensitive cases. Reviews external forms and form letters submitted by the Regions; coordinates the development and revision of National Office external forms and form letters; reviews tax return forms and related public use forms proposed by the Forms Committee. Coordinates, controls, and processes cases involving special features such as restricted interest and recomputations based on court decisions and proposed settlements. Reviews jeopardy assessments. Assists Chief Counsel and Department of Justice in the trial and settlement of cases. Maintains action control on cases in suspense awaiting court decisions or National Office action. Responds to external communications generally involving questions of field actions in specific cases. Collaborates with the Program Assistance Staff on incentive awards program matters and Internal Audit Reports. Performs other technical assignments which do not fall within jurisdiction of other branches.

1113.54 Collection Division—Office of the Director.

Accomplishes the Collection mission with reference to the filing and payment requirements of the Internal Revenue laws by developing and supervising (functional supervision) nationwide programs for taxpayer assistance, collection of unpaid accounts, determination and analysis of why accounts become delinquent, and prevention of accounts from becoming delinquent, as well as through

obtaining of delinquent returns, measurement of the types and degrees of non-filing, determination and analysis of the reasons for non-filing and reduction of non-filing. The Division also performs certain centralized Collection functions and administers the disclosure provisions of the law and regulations concerning inspection of returns and related matters of official record.

1113.541 Administrative Services Office.

Furnishes administrative services for the operation of the Collection Division of the National Office through performance of the following functions: Provides for administrative needs of the Division, such as centralized mails, files, distribution, messenger, photo-reproduction, and library services. Maintains liaison with the Office of Assistant Commissioner (Administration) on all National Office Collection Division administrative matters (including budgetary, personnel, training and facilities management matters). Provides administrative control of Incentive Awards suggestions assigned to other elements of the Division for study and recommendation and makes certain all suggestions have been effectively coordinated within the Division. Monitors, coordinates and integrates Collection Division portion of the Management Improvement Report.

1113.542 Analytical Services Staff.

As a staff and service support element, provides statistical analytical services to the Director/Assistant Director and all elements of the Collection Division, and identifies, evaluates, interprets, reports and assists in reporting progress toward accomplishment of the Collection mission through performance of the following functions: Collects and presents relevant statistical data in an organized and readily usable form in accordance with management needs. Analyzes and evaluates source data and other information, prepares preliminary interpretations and presents preliminary reports of progress toward accomplishment of Collection mission and stated objectives. Provides these to the Director and concurrently to the other organizational elements of the Division. Performs across-the-board (horizontal) evaluation of Collection programs and activities, including relating of external data such as economic and social data and provides technical assistance to Branch Chiefs in their detailed (vertical) analysis and evaluation of specific programs. Researches, develops and disseminates to Collection personnel (National Office and Field) the most effective and latest analytical methods and techniques and the most effective means for presenting and communicating statistical data and interpretations. Serves as Collection Division consultant on these matters. Provides assistance in program evaluation, general analysis and in preparation for visits to Field Offices by the Supervisor of Visits and other personnel; as requested, provides assistance in statistical research to all elements of the Collection Division with reference to TCMP, evaluation of Collection Field workload, and other special compliance research and measurement of voluntary compliance. Serves as specialist and

consultant in analytical methods and assists District, Regional and National personnel in understanding and utilizing techniques and data resulting from integrated analysis of relevant internal and external data.

1113.543 Centralized Activities Office.

Performs all centralized Collection operations retained in the National Office, through the following principal functions: Reviews and processes all cases requiring approval of the Joint Committee on Internal Revenue Taxation (overassessments of \$100,000 or more); adjustments of World War II Excess Profits Tax; adjustments of Post-War Credit; Judgments of the District Courts and the Court of Claims; administrative settlements by the Department of Justice. Advises district directors with reference to proper application in the final settlement of cases involving administrative provisions of the Code relating to assessments, collection, abatements, credits, refunds, and restricted interest. Performs other centralized functions relating to: offsets of claims and debts; redemption of Government securities; redemption of mutilated currency; requests for relief under Public Law 334; and arranges for Government depositaries. Receives checks from Post Office Department from the proceeds of the documentary stamps sales; causes checks to be issued for distribution of certain tax collections to island possessions and Government Agencies and maintains an account current for same. Conducts correspondence and engages in conferences with taxpayers, other officials of the Service, the Department of Justice, and other Government Agencies regarding the above activities. Serves in an advisory capacity to other branches of the Division in developing policies and procedures in connection with these activities.

1113.544 Special Projects Staff.

Assists the Director/Assistant Director and all elements of the Collection Division as a Staff element assigned special projects and activities not directly identified with any single program for which a program management branch has responsibility and especially involving coordination of management processes which apply to all programs and activities of the Division by performing the following functions: Monitors, coordinates and integrates the planning activities of the Division, including the preparation of program planning document, Work Plans and budget and financial documents. Maintains Work Planning and Control System (including maintenance of the Operations List) current and compatible with procedural issuances and coordinates the establishment of work priorities within the System. Monitors, studies, coordinates and integrates Field Collection (DAR activities), organization, functions, position responsibilities, staffing and related personnel matters. Serves as Division consultant on these matters. Collaborates and maintains liaison with the Office of the Assistant Commissioner (Data Processing) on information system requirements for data and data processing, reports and information systems design, other reports

management activities, and on information storage and retrieval matters (also collaborating and maintaining liaison with the Office of Assistant Commissioner (Planning and Research) on information storage and retrieval), and coordinates and maintains management surveillance over all these matters within the Collection Division. Conducts general management and other special studies and performs other assignments which are not within the specific jurisdiction of the program management branches when authorized by the Director or Assistant Director. Assists Director in determining permanent functional assignments within the Division where such assignments are not clearly covered within the established functional responsibilities. Coordinates internal audit matters related to the Collection Division, and is responsible for completed action on internal audit reports, keeping branches informed on these matters. Monitors maintenance and development of Part V of the Manual by all organizational elements of the Division, and serves as control point for all published issuances of the Division. Provides for and controls regularly planned and special visits by personnel of the various organizational elements of the Division to Field Offices. Responsible, on a continuing basis, for management improvement, work simplification, better utilization of resources, etc., with reference to assigned programs.

1113.545 Delinquent Accounts Branch.

Exercises program management responsibility for Collection Division's functional supervision of the payment requirements of the Internal Revenue laws through the Delinquent Accounts Program (collection of unpaid accounts, determination and analysis of why accounts become delinquent, and prevention of accounts from becoming delinquent) by performing the following functions with reference to the Delinquent Accounts Program: Formulates and recommends policies. Develops short, intermediate and long-range program content and activities. Relates these to program planning documents, preliminary work plans and budget and financial plans. Develops, reviews and revises as necessary: systems, procedures, methods and other instructions for Collection field personnel, including the development of techniques and training guides. Analyzes, evaluates and reports to Division Director on status, progress and trends with reference to assigned programs and takes appropriate action required. Evaluates and reports to Division Director on status and trends of Field Operations involving assigned programs. Collaborates with Office of Assistant Commissioner (Data Processing) on substantive program and systems matters pertaining to assigned programs. Collaborates with Special Projects Staff in identifying need for and seeking improvement of reports and information systems. Identifies need for and seeks improvement of records and internal forms in collaboration with Facilities Management Division. Recommends appropriate action on Incentive Award suggestions referred by the Administrative Services Office and on internal audit

reports referred by the Special Projects Staff. Conducts studies required for problem identification, problem solving, planning, assistance to the regions, and engages in "trouble-shooting" for assigned programs. Participates in Division visits to Field Offices and conducts special purpose visits as required. Responsible, on a continuing basis, for management improvement, work simplification, better utilization of resources, etc., with reference to assigned programs.

1113.546 Delinquent Returns Branch.

Exercises program management responsibility for Collection Division's functional supervision of the filing requirements of the Internal Revenue laws through the Delinquent Returns Program (obtaining of delinquent returns, measurement of the types and degrees of non-filing, determination and analysis of the reasons for non-filing and reduction of non-filing) by performance of the following functions with reference to the Delinquent Returns Program: Formulates and recommends policies. Develops short, intermediate and long-range program content and activities. Relates these to program planning documents, preliminary work plans and budget and financial plans. Develops, reviews and revises as necessary: systems, procedures, methods and other instructions for Collection field personnel, including the development of techniques and training guides. Analyzes, evaluates and reports to Division Director on status, progress and trends with reference to assigned programs and takes appropriate action required. Evaluates and reports to Division Director on status and trend of Field Operations involving assigned programs. Collaborates with Office of Assistant Commissioner (Data Processing) on substantive program and systems matters pertaining to assigned programs. Collaborates with Special Projects Staff in identifying need for and seeking improvement of reports and information systems. Identifies need for and seeks improvement of records and internal forms in collaboration with Facilities Management Division. Recommends appropriate action on Incentive Award suggestions referred by the Administrative Services Office and on internal audit reports referred by the Special Projects Staff. Conducts studies required for problem identification, problem solving, planning, assistance to the regions, and engages in "trouble-shooting" for assigned programs. Participates in Division visits to Field Offices and conducts special purpose visits as required. Responsible, on a continuing basis, for management improvement, work simplification, better utilization of resources, etc., with reference to assigned programs.

1113.547 Disclosure and Liaison Branch.

Serves as taxpayer liaison office for the Division and administers the disclosure provisions of the law and regulations concerning inspection of returns, and other matters of official record, by Congressional Committees, Federal Agencies, States, and in the case of documents in the custody of the National Office, by any person, through the following principal functions: Responds to inquiries (per-

sonal visits, correspondence and telephone) from sources external to the Internal Revenue Service (e.g., Taxpayers, Members of Congress, Treasury Department and other Departments and Agencies) on matters pertaining to Collection programs, activities and functions. Certifies documents under the Treasury Department Seal, furnishing copies where appropriate. Prepares Manual instructions, revenue procedures, delegation orders, policy statements, and other instructions governing disclosure from official records. Acts on requests for testimony. Conducts correspondence and engages in conferences with taxpayers, officials of the Service, States, other Federal Agencies, and Congressional Committees on disclosure matters. Serves in an advisory capacity to officials of the National Office in developing disclosure policies and procedures.

1113.548 Taxpayer Assistance Branch.

Exercises program management responsibility for Collection Division's functional supervision of the year-round Taxpayer Assistance Program to assure prompt, accurate and responsive replies to taxpayer inquiries (walk-in and telephone), through participation and support by various organizational elements of the Service with reference to manpower and facilities, and to assure uniformity and consistency of Service policy on furnishing assistance to taxpayers through review of educational and informational materials issued for general public use. Performs the following functions with reference to the Taxpayer Assistance Program: Formulates and recommends policies. Develops short, intermediate and long-range program content and activities. Relates these to program planning documents, preliminary work plans and budget and financial plans. Develops, reviews and revises as necessary: systems, procedures, methods and other instructions for Collection field personnel, including the development of techniques and training guides. Analyzes, evaluates and reports to Division Director on status, progress and trends with reference to assigned programs and takes appropriate action required. Evaluates and reports to Division Director on status and trend of Field Operations involving assigned programs. Collaborates with Office of Assistant Commissioner (Data Processing) on substantive program and systems matters pertaining to assigned programs. Collaborates with Special Projects Staff in identifying need for and seeking improvement of reports and information systems. Identifies need for and seeks improvement of records and internal forms in collaboration with Facilities Management Division. Recommends appropriate action on Incentive Award suggestions referred by the Administrative Services Office and on internal audit reports referred by the Special Projects Staff. Conducts studies required for problem identification, problem solving, planning, assistance to the regions, and engages in "trouble-shooting" for assigned programs. Participates in Division visits to Field Offices and conducts special purpose visits as required. Responsible, on a continuing basis, for

management improvement, work simplification, better utilization of resources, etc., with reference to assigned programs.

1113.55 Intelligence Division—Office of the Director.

Accomplishes the Intelligence mission with reference to enforcement of the criminal statutes applicable to income, estate, gift, employment, and certain excise tax laws by developing and supervising (functional supervision—which includes evaluation) nationwide programs for the investigation of suspected criminal violations of such laws and the recommendation of prosecution when warranted, development of information concerning the extent of criminal violations of all Federal tax laws (except those relating to alcohol, tobacco, narcotics and firearms), and measurement of the effectiveness of the investigation and prosecution processes. The Division also conducts, coordinates and directs the investigation of cases which have been centralized, and performs certain other centralized Intelligence functions.

1113.551 Administrative Office.

Furnishes administrative services for the operation of the Intelligence Division of the National Office by: developing and preparing budget requests and financial plans as well as supervising budget execution, providing for the administrative needs of the Division (such as providing and maintaining investigative and administrative central filing systems and processing mail, and maintaining liaison with the Office of Assistant Commissioner (Administration) on all National Office Intelligence Division matters including fiscal management, personnel, training, and facilities management matters); developing and preparing projections of personnel costs and staffing charts; collaborating with Administration in the procurement of investigative equipment for Field and National Office use, and maintaining inventory and current records as to location of Intelligence Division investigative equipment; and conducting special studies relating to personnel, space, budget and equipment.

1113.552 Analysis and Evaluation Branch.

Evaluates, interprets and reports progress toward the accomplishment of the Intelligence mission and performs certain support, case review, and centralized operational functions by: appraising the effectiveness of field Intelligence management and investigative operations through statistical studies and from narrative material such as visitation reports and internal audit findings; collaborating with the Reports Division for the report of management and investigative accomplishments; consolidating, evaluating and disseminating information reflecting accomplishments of programs and plans; identifying operational and management deficiencies through statistical studies and analytical case reviews and, as appropriate, initiating corrective action or referring the identified deficiencies to the appropriate branch; preparing final Intelligence recommendations in cases unresolved at regional level; analyzing selected cases for uniform application of policies, programs

and procedures; disseminating information on current developments, such as legal decisions, unique defenses and unusual investigative approaches; collaborating with the Fiscal Management Division in the evaluation of field financial proposals; submitting recommendation for the allocation of Intelligence personnel and funds; collaborating with the Office of Public Information in the preparation of news releases regarding closed cases; conducting special statistical and analytical studies, and research; and participating, as directed, in field visits in connection with the national program and management review.

1113.553 Investigative Techniques Branch.

Develops and maintains professional skills of special agents, develops investigative techniques and performs certain support functions in the accomplishment of the Intelligence mission by: conducting studies and developing Intelligence training programs, materials, and budget estimates in collaboration with the Training Division; directing and conducting centralized Intelligence training programs; instructing at, and collaborating in the direction and supervision of the Treasury Law Enforcement School; coordinating and evaluating field training; developing, providing and maintaining investigative handbooks; evaluating, developing and disseminating investigative techniques; identifying deficiencies in training programs and materials and in investigative techniques and initiating corrective action or referring identified deficiencies to the appropriate branch; developing Intelligence investigative equipment standards; allocating investigative equipment to the field in collaboration with the Operations Coordination Branch; cooperating with the Personnel Division in the development of guidelines and standards for recruitment of and selection of Intelligence personnel; collaborating with the Foreign Tax Assistance Staff in orienting interested enforcement officials of other Federal agencies, and of State and foreign governments concerning Intelligence techniques, procedures, and practices; conducting special studies and research and undertaking special assignments; collaborating and consulting with other Service activities and Government agencies concerning training, investigative techniques and equipment; and participating, as directed, in field visits in connection with the national program and management review.

1113.554 Operations Coordination Branch.

Provides the field with operational assistance, and conducts, directs, and coordinates the investigation of centralized cases by: interviewing informants, maintaining liaison with Committees of Congress, representatives of the Service and other Government agencies in order to obtain, develop and disseminate to the field pertinent information relating to tax evasion; coordinating, conducting or directing investigations which are inter-regional in scope, of a sensitive nature, or of national interest; responding to communications on matters pertaining

to operations, including correspondence for the signature of top Treasury and Service officials; keeping Service and Treasury officials informed of significant developments in sensitive cases and those of national interest; collaborating with the Investigative Techniques Branch in allocating investigative equipment to the field; maintaining and controlling the National Office Intelligence Division investigative equipment pool; coordinating certain phases of investigations and furnishing the field with advice to resolve problems arising in the course of specific cases; identifying operational and management deficiencies in investigations coordinated, conducted or directed by the National Office and initiating corrective action or referring identified deficiencies to the appropriate branch; and participating, as directed, in field visits in connection with the national program and management review.

1113.555 Planning and Procedures Branch.

Provides effective management and technical programs (including Intelligence Division's portion of the Commissioner's Program Planning Document), plans and procedures for accomplishment of the Intelligence mission and identifies as well as corrects deficiencies in programming, planning and procedural guidelines through review of policies, management reports, reports of field visits, other issuances, and special on-site studies, and through consultation and coordination with other Service elements. Develops organizational and staffing standards; conducts special studies and research; consults and coordinates with other Service elements on such matters as the findings in internal audit reports, the preparation of the Long-Range Plan, and the development of criteria to be used in the automatic processing of returns to aid in identification of returns having criminal potential. Collaborates with the appropriate Service elements on submission of legislative proposals (including voluntary disclosure matters) and also in the development of personnel standards, procedures and guidelines for Intelligence personnel. Evaluates and recommends disposition of Incentive Awards suggestions and proposals. Responds to communications on matters pertaining to Intelligence programs, plans, and procedures, and prepares, as necessary, correspondence for the signature of top Treasury and Service officials. Monitors, coordinates and integrates the Intelligence portions of the Management Improvement Report and the Commissioner's Annual Report. Participates, as directed, in field visits in connection with the national program and management review.

1113.56 Office of International Operations—Director of International Operations.

The mission of the Office of International Operations is to encourage and achieve the highest possible degree of voluntary compliance with the Internal Revenue Code and related statutes on the part of citizen taxpayers residing or doing business abroad, foreign taxpayers deriving income from sources within

the United States, and taxpayers who are required to withhold tax on certain payments to nonresident aliens and foreign corporations. The Office of International Operations accomplishes this mission by: Administering and enforcing the provisions of the Internal Revenue Code and related Statutes (except those relating to alcohol, tobacco, narcotics, and firearms taxes) in all areas of the world outside the United States; administering the provisions of tax conventions with foreign governments concerning the exchange of information, reciprocity in tax collection, consideration and processing of claims alleging double taxation, preparation and issuance of determination letters, and all other provisions of tax conventions except those relating to the preparation of regulations and the preparation and issuance of rulings concerning the interpretation or application of tax conventions; administering the provisions of law relating to withholding of tax on certain payments to nonresident aliens and foreign corporations; and coordinating for the Service all foreign tax investigations and requests for information (other than those relating to regulations or ruling or in the area of general assistance in the field of tax administration) from foreign countries and U.S. possessions. Also computes and collects taxes due from the Alien Property Custodian, administers the provisions of the Internal Revenue Code authorizing the acceptance of foreign currency in payment of United States tax liabilities, coordinates foreign travel of Service personnel, and maintains foreign posts.

1113.561 Executive Assistant to Director.

Coordinates the work programs and other activities of the foreign posts performed by permanently assigned post personnel. Coordinates and directs audit, intelligence and collateral investigations and surveys conducted through personnel temporarily assigned overseas and makes appropriate recommendations, holding necessary conferences in audit, delinquency and evasion cases. Coordinates audit, collection, delinquency, intelligence, conference and offers in compromise work items between the foreign posts and the Divisions of the Office of International Operations, other Service components and other Government agencies, including determining whether action requested is feasible and whether it would be handled by foreign representatives, International Operations personnel on detail, other Government agencies or District personnel. To the extent provided by delegation, supervises and evaluates the work and performance of foreign representatives. Makes certain that foreign representatives have a sound realistic program (for their territory) that ties into over-all Service objectives in the international area. Keeps Director informed of trends in the foreign area, which will be employed in program development for the operation as a whole. Takes affirmative steps to maintain morale of personnel located at foreign posts. Exercises broad vision in determining proper utilization of information obtained from foreign representatives. Assists the Director in the

performance of the functions of the Competent Authority under tax treaties principally involving nonautomatic exchange of information and consideration of double taxation claims. Coordinates the foreign travel of personnel of the Internal Revenue Service. Maintains liaison with the State, Defense, Commerce and Interior Departments, with Customs and the Office of International Finance concerning overseas operating matters. Plans and coordinates the Annual Taxpayer Assistance, Audit and Delinquency Program abroad and plans and coordinates, in conjunction with the military services, the Annual Military Assistance and School Program for overseas military personnel.

1113.562 Operational Research Staff.

Accumulates and analyzes data concerning foreign tax laws, U.S. Tax Treaties, U.S. tax law changes, revenue rulings and statements of Service policy. Prepares guidance memoranda for International Operations use. Coordinates and reviews guidance memoranda prepared in the Office of International Operations. Reviews drafts of proposed tax conventions and regulations thereunder and prepares comments thereon regarding the administrative and operational feasibility of the conventions and regulations; prepares analytical studies of technical problems and tax avoidance schemes in the international area for the purpose of disclosing tax law provisions that are weak, ineffective, inconsistent or unjust; prepares plans and programs to combat tax avoidance and evasion in the international area; prepares legislative and regulatory recommendations for the Office of International Operations; reviews, or prepares suggested tax forms and other material for the use of taxpayers under the jurisdiction of the Office of International Operations and coordinates technical matters having reference to proposed legislation and similar matters with the various Divisions of the National Office and other Government agencies. Accumulates or programs for the accumulation of data designed to show such information as extent, nature, location of U.S. taxpayer business and trust interest outside of United States, progress and disposition of cases in this area as well as similar data relative to foreign business entities ostensibly doing business in United States. Develops and/or operates procedure designed to accumulate data on receipt and disposition of information relative to foreign business operations of concern to U.S. which is received from Foreign Post Representatives. All such information shall be in such form that periodic or special requests for reports on the subject can be readily provided. Acts on assignment received by Director from Assistant Commissioner, Compliance, or other National Office officials or components, of a program or planning nature.

1113.563 Administrative Office.

Performs all necessary administrative management activities, including development of personnel and budget and fiscal programs, cost estimates, quarterly allocations and control of funds, records

management, space and equipment utilization. Coordinates and controls, in conjunction with the Facilities Management Division, the printing requirements and distribution of special tax forms required by the Office of International Operations and the distribution of all tax forms to embassies and consulates.

1113.564 Collection Division.

Receives all tax returns and related work items accruing from the International Program; processes alien returns, returns of citizens residing abroad, Puerto Rican and Virgin Island returns, returns of certain foreign corporations and the withholding returns filed by agents making income payments to foreign addresses; accepts and deposits remittances received with all such returns; performs all accounting operations incident to the control of these returns, including the issuance of bills, processing of claims, scheduling of refunds, and maintenance of general ledger; administers the provisions of tax treaties authorizing the automatic and other exchange of tax information between the United States and foreign countries; administers Section 6316 of conditions, the acceptance of foreign currencies in payment of United States tax liabilities; collects delinquent accounts of taxpayers residing abroad; develops procedures relating to the collection of delinquent tax from citizens abroad and non-resident aliens; and maintains liaison with the State and Defense Departments and the Bureau of Accounts concerning collection matters. Provides advice and guidance on collection where performed by the Foreign Posts and personnel detailed overseas.

1113.5641 Returns, Receipts and Taxpayer Service Branch.

Receives, safeguards and deposits all funds tendered to International Operations in Washington, D.C. in payment of Internal Revenue taxes. Receives, controls, examines, processes and has final custody of tax and information returns (except estate and gift) filed with International Operations in Washington, D.C. Receives and opens all ordinary mail addressed to International Operations in Washington, D.C. Stamps, sorts and routes such mail to its proper destination. Receives and answers inquiry letters from withholding agents regarding withholding problems. Receives, examines and transmits all correspondence and documents containing informational exchanges under the tax treaties to and from the various treaty countries, and prepares all statistical reports required for the purpose of evaluating the extent of compliance with treaty provisions and value of the information exchanged. Certifies all amounts withheld at source from income of non-resident aliens and claimed as credits on their final returns. Determines penalties and computes interest on other than individual returns. Mathematically verifies other than individual returns filed with International Operations in Washington, D.C., and completes all prepayment credit adjustments. Provides taxpayer service to U.S. citizens residing abroad and non-resident aliens primarily through cor-

respondence and occasionally through office interviews when the taxpayer is visiting Washington, D.C. Provides advice to the Chief of the Collection Division on return, receipts and taxpayer service activities in Puerto Rico.

1113.5642 Revenue Accounting Branch.

Performs revenue accounting services on all classes of tax returns filed with the Division in Washington, D.C. Issues statements of tax due, installment notices, and taxpayers' delinquent account assembly forms. Processes all claims for refund or abatement filed, prepares schedules of overassessment, and determines interest allowable thereon. Certifies to taxpayers' payments on Form 899. Examines and allows tentative carry back adjustments and claims within the \$10,000 limitation. Compiles statistical reports and records. Maintains controls on blocked refund checks due taxpayers in "Iron Curtain" countries. Verifies mathematically individual tax returns and processes individual tax returns received with remittances. Makes appropriate closing action on all audit adjustment cases. Provides advice to the Chief of the Collection Division on revenue accounting activities conducted in Puerto Rico.

1113.5643 Delinquent Accounts and Returns Branch.

Effects collection of delinquent accounts of: Citizens residing or doing business abroad (primarily by correspondence, and through levy on assets in the United States); aliens residing abroad (primarily by correspondence, and through levy on assets in the United States); military personnel having APO and FPO addresses (primarily by correspondence and through Payroll Deduction procedures). Obtains delinquent returns of non-resident taxpayers on the basis of Form 14 investigations and conducts delinquency surveys in overseas areas by correspondence. Maintains liaison with the Executive Assistance to the Director of International Operations to effect collection of TDA's and to obtain delinquent returns through the foreign posts and personnel traveling overseas; the Military Services, concerning delinquent military taxpayers and the serving of levies on overseas military personnel; the State Department, concerning collection of delinquent accounts from citizens residing abroad. Provides advice to the Chief of the Collection Division on delinquent accounts and returns work conducted in Puerto Rico.

1113.5644 Puerto Rico Collection Branch.

Is responsible for the performance of all collection work in Puerto Rico and the Virgin Islands which involves primarily the administration of the FICA and Social Security tax laws but also includes collection activities involved in the income and other tax provisions of the Internal Revenue Code as they apply to Puerto Rico and the Virgin Islands. Receives, deposits and conducts appropriate accounting for all tax payments; receives and maintains custody of all tax returns; processes and verifies tax returns and other tax documents; deter-

mines interest due and makes appropriate tax refunds; collects delinquent accounts by distraint, seizure, sale, etc., and secures delinquent returns by canvassing and other methods. Sells Alcohol Tax Stamps and Collects Alcohol and Tobacco Tax taxes in Puerto Rico.

1113.565 Audit Division.

Is responsible for the direction of all audit examinations accruing from the International Program conducted by correspondence audit in Washington, D.C., and the examinations conducted by Revenue Agents assigned to Washington, excepting while examining officers are assigned outside the continental limits of the United States during which time they will be subject to the general supervision of the Executive Assistant; provides advice and guidance on audit work performed by the Foreign and Puerto Rico posts. Makes certain that Internal Revenue agents manpower will be applied to the most significant civil enforcement cases in the international area (whether the assignment originates from information received through the Executive Assistant coordinating the Foreign Posts, informant material or classification of returns) and will be responsive to information received from the Executive Assistant in this regard. Is responsible for the maintenance of good relations with the several Regions and districts and is responsive to their requirements for assistance in the foreign area. Is responsible for the returns classification, conference coordination and audit service functions. Is responsible for the review of all reports of audit examinations and the preparation of tax determination letters. Directs the conduct of examinations of estate and gift tax returns. Directs programs for the exchange of estate and gift tax data with foreign governments under the tax conventions.

1113.5651 Review Staff.

Is responsible for reviewing, for technical accuracy and policy and procedure adherence, reports of examination on income, estate and gift, and miscellaneous taxes and offers in compromise. Prepares and issues all preliminary letters and statutory notices. Receives taxpayer protests, refers protests to the Conference Coordinator and closes protested cases to the Appellate Division upon recommendation of the Conference Coordinator. Furnishes technical advice to foreign and Puerto Rico posts and all audit examining personnel, considers special problems relating to specific cases and prepares recommendations thereon. Considers technical questions submitted by taxpayers, foreign and Puerto Rico posts, other personnel of the Office of International Operations and issues determinations letters thereon.

1113.5652 Conference Coordinator.

Reviews informal conference notification letters and related materials on required audit cases in which the taxpayer has requested an informal conference. Assigns all informal conference cases to personnel in accordance with established procedures and practices. Conducts conferences in the more

difficult cases or in cases in which he may be particularly qualified. Considers cases in which the Review Staff has taken exception to the informal conference decisions of other informal conferees, for the purpose of coordinating with the Chief, Review Staff, on difficult technical issues. Screens all protests filed by taxpayers in response to 30- or 60-day letters for the purpose of deciding whether further action is required by the examining units prior to reference of the case to the Appellate Division for consideration. To the extent time permits, undertakes special assignments received from the Director through the Chief, Audit Division.

1113.5653 Chief Classifying Officer.

Is responsible for planning and executing the audit classification program including the selection of returns to be examined and the determination of the organizational units where the returns can best be examined. Is responsible for the planning and execution of procedures involving the classification of other documents used in connection with examinations such as transferred cases from other districts, information reports, etc.

1113.5654 Service Branch.

Controls all income, estate and gift, and miscellaneous tax returns received for audit or investigation; route work to appropriate units; reproduces completed reports; provides typing services for the Audit Division; effects closing action on examined cases; assembles audit production and statistical data and maintains controls on statutory expirations.

1113.5655 Field Audit Group.

Conducts audit examinations by examining the books and records of taxpayers in the United States and foreign countries or through correspondence with the taxpayer or his representative on foreign corporations and other foreign business entities and U.S. citizens residing abroad and non-resident aliens with large incomes and complex tax problems. Obtains information on suspected delinquent taxpayers and obtains other tax information while in overseas areas. Upon referral by the Conference Coordinator holds conferences with taxpayers in Washington and foreign areas.

1113.5656 Estate and Gift Tax Group.

Conducts examinations by correspondence or field visitation in the United States or overseas when necessary of estate tax returns of U.S. citizens who died while residing abroad or non-resident aliens with substantial property or income in the U.S. and gift tax returns filed by non-resident aliens or U.S. citizens residing abroad. Administers the program for exchange of estate and gift tax data with foreign governments under the tax conventions including the certification of the correctness of the tax determinations and the payment of estate and gift tax liability thereon on returns of Districts involving substantial property or income in foreign tax treaty countries. Initiates correspondence relating to all Federal estate and gift tax returns filed by, or due to be filed by,

non-resident citizens and aliens. Holds taxpayer conferences and considers protests upon referral by the Conference Coordinator relative to recommended estate and gift tax determinations. Prepares determination letters in reply to correspondence from taxpayers and foreign governments relating to estate and gift tax matters.

1113.5657 Office Audit Group A.

Conducts office audit type examinations by correspondence and office interview techniques on (1) tax returns, claims, and offers in compromise filed by non-resident aliens and U.S. citizens residing abroad involving difficult and complex issues; and (2) selected foreign corporations. Holds informal conferences with taxpayers or their representatives in Washington, D.C. upon referral by the Conference Coordinator. Prepares tax returns for, and audits books of, foreign corporations and alien individuals whose property is in custody of the Alien Property Custodian and conducts conferences on these matters.

1113.5658 Office Audit Group B.

Conducts office audit type examinations by correspondence and office interview techniques of income tax returns and claims filed by non-resident aliens and U.S. citizens residing abroad. Examines offers in compromise and excise tax claims. Holds informal conferences with taxpayers or their representatives in Washington, D.C. upon referral by the Conference Coordinator.

1113.566 Foreign Posts.

Pursuant to broad annual programs developed in Headquarters office, initiates such actions in the assigned areas as are necessary to establish and maintain satisfactory levels of voluntary compliance. Develops information indicating possible tax evasion, delinquency or non-compliance and completes action thereon or forwards the information to Washington for further development. Conducts audits of income, estate and gift tax returns of a type justifying field investigation or contact abroad and conducts investigations on tax evasion cases. Effects collection of delinquent taxes when personal contact or investigation abroad is required. Obtains information on audit, intelligence and collection matters for other service component on collateral requests. Holds taxpayer conferences and effects settlements in cases involving timely and delinquent income, estate and gift tax returns, claims, offers in compromise, etc., particularly in those cases referred abroad by International Operations headquarters for such purposes. Under specific direction, assists the Director in the exercise of the Competent Authority provisions of tax treaties by holding preliminary discussions with the foreign government representatives on the settlement of issues in specific cases involving double or discriminatory taxation and forwards information to Washington, D.C. Maintains close liaison with foreign governments in tax treaty, enforcement, exchange of information, technical and other highly complex matters. Maintains close liaison

with U.S. military authorities and taxpayer groups in the area and develops and implements with their assistants comprehensive programs relating to enforcement, taxpayer assistance and school programs, taxpayer-education releases, and similar measures designed to assure a high level of compliance. Is responsible for the development and maintenance of desirable public relations, initiating appropriate taxpayer-education programs in the area. Furnishes technical assistance to taxpayers with regard to both current and delinquent income, estate and gift tax matters.

1113.567 Puerto Rico Post.

Audits tax exempt Puerto Rican corporations to uncover diversions of profits from the related interests and associates in the U.S. and submits reports to the Executive Assistant to the Director of International Operations. Conducts all required Internal Revenue Service functions in Venezuela, Colombia, the Guianas and other countries of the Caribbean area on visitation trips from Puerto Rico including holding taxpayer conferences, taking necessary action to assure compliance with the tax laws, maintaining liaison with U.S. military authorities and taxpayer groups in the area and contacting the foreign taxing authorities for the purpose of exchanging information. Obtains information in Puerto Rico and the Virgin Islands on estate and gift tax returns filed or due to be filed in the area to assist the Estate & Gift Tax Group in the determination of estate and gift tax liabilities. Audits employment tax returns of Puerto Rican residents and income tax returns of U.S. Government employees and Puerto Rican residents deriving income from sources outside Puerto Rico. Provides administrative direction to and services for the Puerto Rico Collection Branch.

1113.6 Office of Assistant Commissioner (Data Processing).

The Assistant Commissioner (Data Processing) is the principal assistant to the Commissioner and Deputy Commissioner on all matters relating to the development of programs, systems, methods and procedures for implementation and operation of the Internal Revenue Service Automatic Data Processing Plan, the accounting for the internal revenue, the receipt and integrated processing of tax returns and payments; and the review and coordination of all reports. He exercises line supervision over the activities performed in the various Divisions in the National Office which are within his jurisdiction and the National Computer Center and the Internal Revenue Service Data Center, and is functionally responsible for ADP activities in Regional, Service Center, and District Offices. Confers and collaborates with officials of other government agencies and private industry to assure compatibility of data which will be integrated into the ADP system of each.

1113.61 Administrative Office.

Plans, organizes, coordinates, and directs the administrative management

activities of the Office of Assistant Commissioner (Data Processing) at the National level, assisting and collaborating with Division Directors and the National Computer Center Director in providing budget, personnel, records and reports management, space management, duplication, supply, and other administrative services necessary for the internal administration, management, operation and functioning of the Office.

1113.62 Operations Division—Office of the Director.

Plans, directs and coordinates the implementation of the ADP System and the performance of data processing activities at the IRS Data Center. Provides functional supervision over data processing activities in the Regional Offices, Service Centers and District Offices. This includes program planning for and evaluating these activities and directing the installation of Service Centers. Provides line supervision over the National Computer Center and the IRS Data Center and provides a liaison between those centers and other organizational units of the Service served by them.

1113.621 Field Coordination Branch.

Responsible for monitoring and evaluating the progress of returns and documents through the ADP system in relation to established standards and cycles; for providing higher management with reports on progress of production; and for recommending corrective action where necessary to assure timely and efficient processing. Conducts on-site studies of operations incident to the evaluation of progress of production, and performs a continuing review and evaluation of the functioning of the entire ADP system to determine how effectively the objectives of the system are being met. Identifies through on-site studies, observation or otherwise, the existence of non-uniformity in organization, procedures, flow of work, physical layout, equipment, etc., wherever uniformity is deemed or established to be necessary to the effective management or operation of the ADP system and recommends corrective action. Provides liaison between field data processing activities and the Systems Division on the improvement of the ADP system and procedures. Participates with the Systems Division in systems acceptability tests. Coordinates development and analysis of evaluative data under the National Office Review Program, including review of Internal Audit Reports and related liaison activities.

1113.622 Program Development Branch.

Responsible for developing and recommending the current and long-range Data Processing programs and plans to achieve the ADP Plan objectives, and for providing related coordination and guidance. Provides support, direction and guidance of all general administrative management functions of field installations of Data Processing including procurement of buildings, supplies and personnel; organization; redeployment; training; and internal and external in-

formation. Develops, recommends, or evaluates management control systems; coordinates with appropriate officials to assure compatibility with other systems and furnishes specifications to the Systems Division. Responsible for preparing and coordinating technical information materials relating to, and in support of, data processing programs. Reviews and answers inquiries from taxpayers, Congressmen, and others relating to operations, procedures, tax code provisions, or legal questions. Coordinates with field offices, tax practitioners and taxpayers in resolving questions and problems in individual cases. Assists with recommendations and reports on legislation affecting data processing activities.

1113.623 Resource Utilization Branch.

Responsible for the development, supervision and analysis of the Work Planning and Control System for manpower and equipment requirements. Conducts studies to assure that resources are effectively utilized and are abreast with the needs of the ADP Program. Develops and prepares Financial Plans for National Office activities of the Assistant Commissioner (Data Processing), recommends allocation of field activity budgetary estimates, and develops and updates the long-range plans as they relate to resources requirements and budgetary estimates.

1113.624 National Computer Center.

Responsible for the creation, maintenance and updating of business and individual tax accounts. Receives input data from Service Centers and processes against master file. Produces output data for use in issuing refund checks, bills, or notices; answering inquiries; making delinquency checks; detecting fraudulent refund claims; classifying returns for audit purposes; preparing reports; and other matters concerned with the processing and enforcement activities of the Service. Performs other machine data processing activities as required.

1113.625 IRS Data Center.

Responsible for the performance of non-master file data processing operations for the Service. This includes the preparation of Treasury Department payrolls; fiscal reports; Statistics of Income; Taxpayer Compliance Measurement Program, including both work progress reports and special studies; special tax research; personnel analysis reports; work planning and control reports; data for the Long Range Plan and other purposes; special tabulations and comparisons for States and other Federal agencies; and statistical information for management control by National and Regional Headquarters officials.

1113.63 Reports Division.

The Reports Division develops and administers a Service-wide Reports Management Program for an overall management information and reporting complex which is integrated with the Automatic Data Processing system and which serves the needs of management at the various levels of the Service for planning, controlling and evaluating programs.

The Division performs an independent analysis service; provides leadership in stimulating and developing the various analysis programs; develops, in collaboration with responsible operating officials, effective analytic standards; and collects, coordinates and presents data and related analyses to provide for appraisal of Service operations by operating officials, the Deputy Commissioner, the Commissioner and Treasury officials.

1113.631 Data Processing Analysis Branch.

The Data Processing Analysis Branch develops and administers a program for analysis and statistical evaluation of the continuing programs of the Data Processing Activity. Determines criteria, establishes data requirements, and conducts both continual and special evaluation with respect to: the effectiveness of the Automatic Data Processing Program, including the effect of shifts in program emphasis between Activities on Data Processing and other Service programs; the assessment of the status of Data Processing programs at all organizational levels, as revealed through analysis of recurring reports providing accounting and broad statistical data on the operations of the Returns Processing and Revenue Accounting, and Service Center Activities; the Taxpayer Compliance Measurement Program. In exercising these responsibilities, maintains close coordination with the Operations and Systems Divisions, and indicates to appropriate Data Processing officials possible alternative solutions to problems discovered through the evaluation process. Evaluates source data analyzed to ensure its meeting professional standards of quality and timeliness; coordinates with other offices and makes field visitations as necessary to correct problems. Collaborates with the other branches of the Reports Division and with the Operations Division in the development, review, and administration of an integrated reporting system which will provide the data necessary for areas of mutual concern.

1113.632 Reports Management and Systems Branch.

The Reports Management and Systems Branch develops and administers: the policies, procedures and standards for a Service-wide Reports Management Program, and a program to bring reporting systems of the various program areas into a coordinated, overall management information and reporting complex integrated with the Automatic Data Processing system. In collaboration with responsible operating officials, studies and determines specific management information requirements for planning, controlling and evaluating programs of an entire Activity at the various levels of the Service; prepares feasibility studies to determine best data gathering and processing techniques (ADP system, mechanical, manual or combinations of these); develops reporting and related recordkeeping systems and integrates these with the overall management information and reporting complex; and implements the new or revised systems. Provides technical guidance and assistance for the development and integra-

tion of work planning and control systems. Operates a National Office clearance procedure to examine proposed reporting requirements for duplication, overlapping, conformity to standards, and compatibility with the overall management information and reporting complex; and periodically reviews established requirements to insure continuing compatibility with the needs of the Service.

1113.633 Reports Processing and Analysis Branch.

The Reports Processing and Analysis Branch develops and administers a program to provide published managerial and operating reports and related analyses responsive to the needs of management and which are an integral part of the overall management information and reporting complex. Conducts studies of requirements for Service-wide published reports and designs their format and content; reviews published reports to determine modifications needed to provide for changing program emphasis and requirements of management; maintains liaison with field offices and service centers on all reporting documents and material received for review, analysis and processing; and provides centralized processing services for published reports and for special requirements of the various organizational elements of the National Office. Performs an independent analysis service; develops, in collaboration with responsible operating officials, analytic standards; and collects, coordinates and presents data and related analyses to provide for appraisal of Service operations by operating officials, the Deputy Commissioner, the Commissioner and Treasury officials. Participates in planning and preparing special reports used for top level decisions on Service operations and the administration of the tax program. Performs necessary research to compose replies to a variety of requests for management and operational-type information received from Congress, local, State and Federal agencies, research and other organizations and individuals interested in tax administration matters.

1113.64 Systems Division.

Plans, directs and coordinates the Divisional activities which involve the evaluation of or making feasibility studies of proposed data processing systems, the subsequent development of such systems, and the preparation, issuance, and interpretation of all procedures and programming related to data processing and related activities of the District Offices, Service Centers, and the National Computer Center of the Internal Revenue Service. This responsibility includes: design of manual and electronically oriented tax and returns processing systems; revenue accounting, data processing and related systems; detailed design of programming specifications and instructions for all Service Centers and the National Computer Center; testing and debugging of program routines; systems acceptability testing, and the maintenance of all program routines after they become operational.

1113.641 Master Files Programs Branch.

Responsible for interpretation and analysis of systems programming requirements and development of programs required to process Internal Revenue and related data in the Individual and Business Master Files at the National Computer Center. Analyzes specifications for the operation of approved computer applications as they pertain to master files processing. Contributes the master files part of the schematic diagrams and prepares the logic and block diagrams for such processing. Translates diagrams into sets of computer instructions, coordinating with the Service Centers Programs Branch to insure complete compatibility and continuity. Proves programs by testing, and keeps computer programs and instructions up to date after they become operational. Assists the Planning and Applications Branch in conducting systems acceptability tests.

1113.642 Procedures Branch.

Responsible for the development, preparation, issuance and interpretation of systems and procedures pertaining to data processing in the Internal Revenue Service. Such activities include the operations performed in the receipt and processing of tax payments and the receipt and processing of tax returns. Establishes and maintains the procedures manual for data processing activities of the District Offices, Service Centers, and the National Computer Center to cover all the procedures and operations in the respective offices. Responsible for designing systems required for processing Internal Revenue data through electric accounting machines. Assists the Planning and Applications Branch in conducting systems acceptability tests. Confers and collaborates with officials of the Internal Revenue Service, Department of the Treasury, General Accounting Office, and other governmental agencies in the performance of the above functions.

1113.643 Planning and Applications Branch.

Responsible for conducting, or participating in the conduct of, studies which will determine the immediate and long range system objectives of the Systems Division and develops over-all systems plans and requirements to meet the objectives; develops and publishes guidelines, standards and applied programming techniques for uniform use by components of the Systems Division; develops guidelines and instructions for the uniform application of management techniques and systems, including the development of related computer programs; coordinates and approves the rental or purchase of all data processing, peripheral, auxiliary or special purpose systems equipment required by the data processing activities at the National, Regional, or District Office levels and continuously evaluates and relates new equipment for Service use; reviews and evaluates or makes feasibility studies and recommends acceptance or rejection of such proposed data processing programs. Conducts systems acceptability tests to

determine readiness of total system to process data. Responsible for continuous research and study to discover new methods, procedures and machine programs involving mechanical and data processing equipment, which may be feasible or adaptable for data processing applications within the Internal Revenue Service; keeps informed of new development in the ADP field and considers each for possible inclusion in the data processing system.

1113.644 Service Centers Programs Branch.

Responsible for interpretation and analysis of systems programming requirements and development of service center input/output programs. Analyzes specifications for the operation of approved computer applications as they pertain to service center processing. Contributes the service center part of the schematic diagrams and prepares the logic and block diagrams for all service center processing. Translates diagrams into sets of computer instructions, coordinating with Master Files Programs Branch to insure complete compatibility and continuity. Proves programs by testing, and keeps computer programs and operating instructions up to date after they become operational. Assists the Planning and Applications Branch in conducting systems acceptability tests. Prepares machine instructions for off line data processing equipment.

1113.7 Office of Assistant Commissioner (Inspection).

The Assistant Commissioner (Inspection) acts as the principal assistant to the Commissioner in planning and carrying out the inspection program of the Internal Revenue Service. This includes the independent review and appraisal of all Internal Revenue Service activities as a basis for protective and constructive service to management, and the carrying out of a program for assisting management to maintain the highest standards of honesty and integrity among its employees. The Assistant Commissioner (Inspection) plans and directs the inspection program at both the national and regional levels. At the National Office level he supervises two divisions: the Internal Audit Division and the Internal Security Division; and at the regional level he supervises the Regional Inspectors.

1113.71 Internal Audit Division—Office of the Director.

The Internal Audit Division has responsibility for conducting a program providing for an independent review and appraisal of the operations of the Internal Revenue Service. This review provides information on the condition of all the functional activities of the Service at the National, regional and district levels and is sufficient in scope to provide a basis for constructive management action by the Service officials responsible for the activities involved. The Division is also responsible for a systematic verification and analysis of financial transactions and a review and appraisal of the protective measures and controls estab-

lished at all operating levels. The organizational structure for program operations consists of the National Office Internal Audit Division, and the Regional Internal Audit Staffs which are headquartered in the same location as the Regional Inspectors. The Director of the Internal Audit Division under the general supervision of the Assistant Commissioner (Inspection) is responsible for the development and execution of the Division's program.

1113.711 Field Coordination Branch.

The Field Coordination Branch is responsible for assuring that a uniformly high standard of internal audit performance at the regional level is maintained. Furnishes staff guidance at the top management level to Internal Audit Division personnel assigned to the Regional Inspectors. Carries out a program of review and evaluation of the activities of the Regional Internal Audit Staffs (including on-job visitations). Responsible for evaluating matters reported by the Regional Internal Audit Staffs concerning the Service's operations to determine their significance and that action is initiated to call important matters to the attention of the Commissioner, Assistant Commissioners or other principal officials. Responsible for an evaluation of the adequacy of the action instituted by operating officials at all levels to correct deficiencies reported. Consults with top officials in the Offices of the Assistant Commissioners (Compliance) and (Administration), the Fiscal Management Officer, and the Office of Chief Counsel on operating problems disclosed by the Internal Audit Division, which suggest a need for a revision in current operating instructions. Maintains liaison with National Office Internal Security Division on security cases pending in the regional offices.

1113.712 Operations Branch.

The Operations Branch is responsible for conducting periodic internal audits of National Office activities, including the annual audit of the Office of International Operations. Conducts special surveys and procedural studies as requested by the Treasury Department, the Commissioner or the Deputy Commissioner. Carries out special assignments on particular phases of operations requested by the Assistant Commissioner (Inspection) or the Director. Assists the Treasury Department in the annual audit of the Exchange Stabilization Fund and in the annual review of the Treasury agency inspection programs. Assists the General Accounting Office and the Treasury Department on various phases of audit work, such as inventorying Federal Reserve Notes stored in the vaults at the Bureau of Engraving and Printing. Responsible for conducting audits of regional and district offices as assigned by the Director. Carries out special assignments in cooperation with the Internal Security Division on cases requiring the specialized knowledge and training of personnel of the Internal Audit Division.

1113.713 Program Development Branch.

The Program Development Branch is responsible for developing all of the division's policy and procedural instructions and guidelines, including specialized programs for staff development. These are necessary to maintain high professional standards of Internal Audit staff performance and to provide the most effective, up-to-date methods for the uniform execution of Internal Audit's Service-wide program. Develops special internal management procedures for the Internal Audit Division to ensure adequate control of its activities and to promote maximum operational efficiency. Maintains a current knowledge of developments in electronic data processing and its applications to the Service's operations. Participates in the planning and development of the Service's ADP system to evaluate basic controls and to determine their effect on Internal Audit's responsibilities. Develops procedures to utilize automatic data processing in carrying out principal segments of the Internal Audit Division's program. Maintains liaison with all divisions at the National Office level, including the Office of Chief Counsel, in order to determine operating problems or developments that should be given attention in carrying out the Internal Audit Division's program. In coordination with the Training Division, plans, develops and carries out the basic and advanced internal auditing training programs to assure the proper indoctrination of new staff members and the continuing professional growth of all Internal Audit Division personnel.

1113.72 Internal Security Division.

The Internal Security Division plans, develops, and controls the internal security program for the Internal Revenue Service so as to assist management in assuring the highest standards of honesty, integrity and security among Service employees and maintain public confidence in the integrity of the Service. The program includes personnel background investigations and investigations of complaints or allegations of misconduct or irregularities, including criminal, concerning Service employees; also investigations of non-Service persons when their actions may affect the integrity of the Service, including attempts to bribe or otherwise corrupt Service personnel. The program also includes background investigations of certain applicants for enrollment to practice before the Internal Revenue Service, investigations of charges against tax practitioners, formal investigations of accidents involving Service employees or property, investigations of complaints alleging discrimination because of race, creed, color or national origin; and the maintenance of records and case files relating to investigations conducted. The Division also conducts such special investigations, studies, and inquiries as required for the Commissioner, Office of the Secretary, or other components of the Treasury Department. The Division is composed of four branches: Complaint Case Coordi-

nation Branch, Investigations Branch, Planning and Programming Branch, and Security Case Coordination Branch.

1113.721 Complaint Case Coordination Branch.

The Branch controls and coordinates on a nationwide basis the Internal Security Division function of investigating alleged violations of Federal criminal statutes and of the regulations and rules governing the conduct of Service personnel; actions of non-Service persons that may affect the integrity of the Service, including attempts to bribe or otherwise corrupt Service personnel; charges against persons enrolled to practice before the Internal Revenue Service, and special investigations as required for the Commissioner and other components of the Treasury Department. The Branch maintains a continuing review and control of individual cases to: (a) assure that the scope of the investigations and the evidence are sufficient to provide a basis for conclusions by management, the Department of Justice or other authority; (b) assure that established policies, procedures and techniques are being followed uniformly; (c) to promote uniformity in investigating coverage, form and quality of reports, and administrative and criminal dispositions; (d) develop data for improvement, simplification, and standardization of investigative operations; (e) develop information that will aid management in planning and programming Internal Security activities. The Branch maintains liaison on criminal matters with the Office of the Chief Counsel, other law enforcement segments of the Service, Federal Bureau of Investigation and other Federal law enforcement agencies.

1113.722 Investigations Branch.

The Branch, operating on a nationwide basis, is responsible for conducting extremely confidential investigations of complaints and allegations of misconduct or irregularities concerning high level officials of the Service and other special investigations which by reason of their complexity or sensitivity, or because of their potential effect on the maintenance of public confidence in the integrity of the Service, demand special handling. The Branch, as the investigative branch of the Internal Security Division for National Office personnel, is responsible for conducting background investigations of applicants for, or incumbents of, positions in the Service, certain applicants for enrollment to practice before the Internal Revenue Service, and for applicants for positions with certain other components of the Treasury Department. In addition the Branch conducts investigations of alleged violations of Federal criminal statutes and rules and regulations governing the conduct of Service personnel; actions of non-Service persons that may affect the integrity of the Service, including attempts to bribe or otherwise corrupt Service personnel; charges against persons enrolled to practice before the Internal Revenue Service;

formal investigations under the Federal Tort Claims Act; investigations of alleged discrimination because of race, creed, color or national origin; and other special investigations as may be required for the Commissioner and other components of the Treasury Department. The Branch maintains liaison with the Regional Inspectors and Assistant Regional Inspectors (Internal Security) to coordinate joint activities and in special situations to render assistance in the handling of difficult investigations.

1113.723 Planning and Programming Branch.

The Branch is responsible for providing staff assistance to the Division Director in planning and programming the Internal Security Division program. This includes formulating policies; developing technical and administrative procedural instructions, including manual issuances and investigative handbook; conducting inspections of the management and operation of the Regional Internal Security Divisions; conducting special surveys of National Office Internal Security activities; developing and coordinating training programs for the Division; providing technical and staff assistance to the Treasury Law Enforcement Officer Training School; directing the maintenance of record and case files relating to investigations by the Division; compiling and analyzing reports of operational costs, workload data, and statistics concerning criminal and administrative actions resulting from Internal Security investigations; evaluating manual issuances or proposals originating outside Inspection which are pertinent to Internal Security functions; conducting special staff studies; and maintaining liaison with other branches of the Internal Security Division, the Internal Audit Division, and other offices of the Service.

1113.724 Security Case Coordination Branch.

The Branch controls and coordinates on a nationwide basis the Internal Security Division function of investigating the character and background of applicants for, or incumbents of, positions in the Service. The Branch reviews reports submitted by the National and field offices of the Internal Security Division concerning investigations conducted for the Internal Revenue Service, for certain other components of the Treasury Department and for the Director of Practice. These reports cover all character and security cases, all National Agency Check and Inquiry (NACI), and enrollee applicant cases in which unfavorable or questionable information is disclosed, formal investigations under the Federal Tort Claims Act, and investigations of alleged discrimination because of race, creed, color or national origin. The purpose of these reviews is to: (a) assure that the high suitability and security requirements for Government employment and the investigative requirements of the Service have been met; (b) assure that policies and procedures are being followed uniformly; (c) develop factual data for improvement, simplification, and standardization of investigative op-

erations; (d) promote nationwide uniformity in the approach, operating techniques, and administrative results of character and background investigations; (e) develop information to aid management in planning and programming Internal Security activities. The Branch directs all investigative activities and coordinates administrative activities incidental to the issuance of Top Secret Defense Information Clearance letters to Service personnel and Confidential clearance letters to Service employees when required.

1113.8 Office of Assistant Commissioner (Planning and Research).

The Assistant Commissioner (Planning and Research) acts as the principal assistant to the Commissioner in the coordination of plans and policies, research, statistics, and systems development; and consults with and advises the Commissioner, the Deputy Commissioner, the Assistant Commissioners, and other principal officials regarding the basic policies of the Service. The Assistant Commissioner (Planning and Research) represents the Commissioner on these matters in relations with the Treasury Department, the Congress, other Government agencies and outside organizations. He discharges these primary responsibilities in cooperation with the appropriate Assistant Commissioners (or other principal officials), each of whom exercises related responsibilities within his own functional area. The Assistant Commissioner (Planning and Research) is responsible for and supervises the activities of four divisions: Plans and Policy Division, Research Division, Statistics Division, and Systems Development Division.

1113.81 Plans and Policy Division.

The Plans and Policy Division develops and administers a system integrating the plans of all Service activities into a comprehensive Master Plan and monitors the implementation of the Master Plan. The Division participates in the formulation of the basic policies and organization of the Service; develops and administers systems whereby top management reviews and confirms current Service policies and organization and approves modifications thereto, and administers the internal management document system and reviews issuances for conformance to basic policies of the Service.

1113.82 Research Division.

The Research Division conducts advanced research (independently or in conjunction with other offices) into the Federal tax system to develop new approaches to improve the Service's operations and to reduce the compliance burden on the taxpayer; directs such research, within the framework of tax policy determined by the Treasury Department; and furnishes leadership and coordination for the program of Federal-State cooperation in the field of tax administration. The Division actively participates with the appropriate staffs of the Treasury Department and the Assistant Commissioner (Technical) in the preparation of legislative proposals and regulation revisions resulting from the

research conducted; designs and carries out surveys, studies, polls, and other forms of research to provide the Service with the basic data needed for the formulation of operating programs and plans; and prescribes the nature and content of statistical analyses made by other offices but required for the research functions of the Division.

1113.83 Statistics Division.

The Statistics Division conducts research and prepares statistics with respect to the operation of the income tax laws as required annually by the Internal Revenue Code to provide basic information for tax studies and legislation by the Congress and its committees, for administrative use by the Secretary of the Treasury and the Commissioner of Internal Revenue, and for the Federal benchmark statistical programs on income, wealth, and finance; and performs other related research and statistical functions. The Division consists of the Income, Finance, and Wealth Branch, the Statistical Techniques Branch, and the Systems Planning and Review Branch.

1113.831 Administrative Office.

Performs all administrative management activities, including personnel, budget, and fiscal programs, cost estimates, allocations and control of funds, records management, travel, space and equipment utilization. Coordinates and controls, in conjunction with the Facilities Management Division the printing requirements of the Division and statistical processing contracts, other office services required. Serves as a focal point for Division contacts with Personnel, Fiscal Management, and Facilities Management Divisions.

1113.832 Income, Finance, and Wealth Branch.

The Income, Finance, and Wealth Branch performs statistical and economic research with respect to the operations of the income tax laws as required by the Internal Revenue Code. It identifies and analyzes actual and prospective needs of users of income, wealth, and financial data reported on tax returns. The Branch plans, evaluates, and modifies these needs to develop an integrated statistical program and prepares specifications for data preparation. It interprets, analyzes, and presents the resulting statistics through publications of the Internal Revenue Service, such as the "Statistics of Income" series, and in consultation with appropriate policy and management officials.

1113.833 Statistical Techniques Branch.

The Statistical Techniques Branch conducts research in sampling and other statistical techniques to achieve efficiency in producing the program of the Division. It designs samples and prepares estimates of the tax-return population and workload. It reviews the application of the sampling specifications, conducts variance analyses, and makes other evaluations of the adequacy of the data. It conducts research in the development and adaptation of equipment, techniques, and personnel to the solution of specific

problems of the Division. It develops and maintains statistical standards for application to the Division's program.

1113.834 Systems Planning and Review Branch.

The Systems Planning and Review Branch designs systems and develops operational plans for use in producing the statistics required by the programs of the Division, and prepares related procedures, forms, and instructions. It coordinates the planning, scheduling, and processing of the statistical work performed at decentralized locations. It develops computer systems for completing statistical projects and prepares detailed computer programs and routines. It develops and applies operating techniques for quality control, providing standards of measurement and instituting methods developed through operations research. It evaluates the statistics produced in terms of original specifications, costs, and procedures.

1113.84 Systems Development Division.

The Systems Development Division is concerned both with electronic systems and other systems. It conducts a continuing program relative to the availability and capability of electronic data processing systems and other electronic or automation equipment and systems, the feasibility and adaptability of electronic equipment to specific Service tasks, and the development of special modifications for Service purposes. The Division reviews and coordinates projects of other offices involving the adaptation of electronic equipment and participates in the selection and installation of electronic equipment and systems. With respect to other systems, the Division examines and makes recommendations for improvement or extension of internal systems (such as those relating to reporting, processing, accounting, enforcement, records management, and communications), reviews and coordinates system-improvement efforts of other offices, and initiates and develops projects of its own; furnishes other offices of the Service, on request, advisory and consultative services on systems problems; studies possibilities of integrating paperwork and data-handling systems and equipment; and surveys, develops and tests equipment used or usable by the Service.

1113.9 Office of Assistant Commissioner (Technical).

The Assistant Commissioner (Technical) acts as principal assistant to the Commissioner in providing basic principles and rules for uniform interpretation and application of the tax laws (other than alcohol, tobacco, and firearms taxes, but including the manufacturer's excise tax on firearms under sections 4181 and 4182 of the Internal Revenue Code). In carrying out this mission he: Issues and publishes rulings, advisory statements, and other tax guide materials for the benefit of the taxpayer; public and Revenue officials; directs programs for clarification and simplification of tax rules; develops (including responsibility for the technical content)

all tax return forms and instructions (other than those dealing with alcohol and tobacco taxes and the National and Federal Firearms Acts); acts as competent authority in matters involving interpretation or application of tax conventions; provides advice and assistance throughout the Service and, where appropriate, the Treasury Department, other government agencies, and Congressional Committees, on depreciation, depletion, and valuation matters; conducts a technical liaison program with Service field offices; conducts a program of annual visits by Technical personnel who are specialists in the various tax areas to Service field offices to discuss and explore matters of mutual concern and interest; coordinates with the Office of the Chief Counsel in providing advice and assistance to that office, and to the Treasury Department and the Committees of Congress, on legislative and regulatory matters; reviews all new or amendatory regulations for administrative feasibility and adequacy; coordinates with the Office of the Chief Counsel and the Department of Justice in providing advice and assistance on matters in litigation; and coordinates with the other Assistant Commissioners and, where appropriate, with the Treasury Department, other government agencies, and outside professional groups and industry and trade associations, on matters of mutual concern. The Assistant Commissioner (Technical) is authorized to prescribe the extent, if any, to which any rulings issued by him or pursuant to authorization from him, shall be applied without retroactive effect. He is also authorized to enter into a written agreement (Closing Agreement) with any person relating to the tax liability of that person (or of the person or estate for whom he acts) in respect of any rulings issued by him or pursuant to authorization from him. The Assistant Commissioner (Technical) is responsible for and supervises the activities of four divisions: Income Tax Division; Exempt Organizations and Pension Trust Division; Miscellaneous Tax Division, and Technical Publications and Services Division.

1113.91 Income Tax Division—Office of the Director.

Has primary responsibility for providing basic principles and rules for uniform interpretation and application of the tax laws in areas involving the application of Federal income taxes and the interest equalization tax to corporate and noncorporate taxpayers (including individuals, partnerships, estates and trusts); those involving tax conventions; those involving depreciations, depletion, and valuation issues; and those involving the taxable status of exchanges and distributions in connection with corporate reorganizations, organizations, liquidations, etc. In carrying out these responsibilities, the division: Issues rulings to taxpayers, technical advice to District Directors and Regional Commissioners, and advises the Appellate and Audit Divisions of the Service's position on particular issues; drafts Revenue Rulings, Revenue Procedures, and Technical Information Releases to be published for

the guidance of taxpayers and Service personnel; drafts, or reviews, IR Manual Issuances to be published for the guidance of Service personnel; reviews, or where appropriate, assists in preparing technical booklets, training materials, pamphlets, and other materials prepared for the guidance of taxpayers and Service personnel; conducts special studies of technical problem areas, including reappraisals of current rules and practices, with a view toward reducing controversy and promoting uniformity; reviews Actions on Decisions announcing the Commissioner's position on adverse decisions of the Tax Court of the U.S., prior to publication in the Internal Revenue Bulletin; initiates recommendations and coordinates with the Office of the Chief Counsel in providing advice and assistance to that office, and to the Treasury Department and the Committees of Congress on legislative and regulatory matters; coordinates with the Office of the Chief Counsel and the Department of Justice in providing advice and assistance in connection with matters in litigation; reviews newly proposed and amendatory regulations for administrative feasibility and adequacy; analyzes and acts upon reports submitted by field offices under the Technical Coordinator Program which disclose tax administrative problems, abuses, and inequities, as well as the views of operating personnel as to the quality and effectiveness of regulations and tax return forms, the need for new or amendatory legislation or regulations, etc.; coordinates on matters of mutual concern with other Technical divisions, the Compliance organization and, where appropriate, with other offices of the Treasury Department and other Government agencies; supplies the Audit Division with names or essential identifying characteristics of persons or organizations, and otherwise advises and assists the Audit Division in the selection of representative cases, involving issues on which Service position needs to be established, clarified, or otherwise developed; aids the Audit Division in developing the scope and techniques needed in the examinations or investigations of such issues; and supplies information for use by the Audit Division in programming, evaluating, and guiding audit operations throughout the Service; renders assistance to the Audit Division in the evaluation of field engineering staff requirements; participates in the development of tax return forms and instructions and reviews pertinent portions of public use forms and instructions; invites outside professional groups and industry and trade associations to participate in conferences and to submit comments, briefs and suggestions in connection with tax problems and matters involving Revenue Rulings or Revenue Procedures proposed for the solution of tax problems; conducts conferences annually in each of the Regional Offices together, where appropriate, with representatives of the Chief Counsel's Office and the Audit Division, meeting with field personnel to discuss major programs of the Technical Organization, to present papers on particular substantive areas, to discuss and explore possible solutions to technical

areas of concern to field offices, and to discuss other matters of mutual concern; makes determinations with respect to earnings and profits of corporations and the taxable status of distributions to shareholders; acts on applications for changes in or adoption of accounting methods and periods; and acts as competent authority in matters involving interpretation or application of tax conventions. In areas involving the application of Federal taxes in connection with provisions relating to depreciation, depletion and valuation issues, this division also: Passes upon requests for approval of plans for the aggregation of nonoperating mineral interests as a single property under section 614(e) of the Code; provides informal technical advice to field offices; post-audits the depreciation, depletion and valuation issues of cases on which engineering reports have been prepared and a sample of other large cases involving such issues; provides direct assistance on matters involving depreciation, depletion and valuation issues upon request to regional and district offices, including assistance of classification of returns; provides or secures expert witnesses in support of Government position in cases of litigation, and assists Government Counsel in preparation and presentation of cases and in negotiations of settlements; prepares jointly with Compliance training materials including handbooks; prepares and presents material in professional and technical developments at engineering institutes; and prepares material for inclusion in the engineer coordination digest calling attention to important new developments. The Division Director is responsible for and supervises the activities of four branches: Corporation Tax Branch; Individual Income Tax Branch; Depreciation, Depletion and Valuation Branch; and Reorganization Branch.

1113.911 Corporation Tax Branch.

In matters involving the application of Federal income and profits taxes to corporate taxpayers, including the taxation of insurance companies under Subchapter L and those relating to consolidated returns of affiliated groups, this branch: Issues rulings and technical advice; drafts Revenue Rulings, Revenue Procedures, Technical Information Releases and Internal Revenue Manual issuances; reviews or assists in the preparation of booklets, pamphlets and other materials prepared for the guidance of Service personnel and the public; conducts special studies directed toward resolving technical problem areas; reviews Actions on Decisions; provides advice and assistance to other offices of the Service, including the Office of the Chief Counsel and, when appropriate, the Treasury Department, other Government agencies, and Congressional committees; reviews proposed regulations for administrative feasibility and adequacy; analyzes and acts upon reports submitted by field offices under the Technical Coordinator Program; coordinates with other Technical branches on matters of mutual concern; advises and assists the Audit Division in regard to the Service's audit program; participates in the development of tax return

forms and instructions, and reviews pertinent portions of public use forms and instructions; and participates in Technical's Annual Field Conference Program. It also performs the same functions with respect to both corporate and noncorporate taxpayers in the field of: Income of States and municipalities (section 115); amortization of emergency and grain storage facilities (sections 168 and 169); research and Experimental Expenditures (section 174); LIFO inventory (section 472); Farmers Cooperatives and tax treatment as to patrons (sections 521 and 1381 through 1388); taxation of Regulated Investment Companies and their shareholders (sections 851 to 855); foreign tax matters which involve determination of sources of income (sections 861 to 864); taxation of nonresident alien individuals and partnerships or of alien residents of Puerto Rico (sections 871 to 876); interpretation and application of tax treaties (section 894); foreign tax credits (sections 901 to 905); income from possessions (sections 931 to 934); involuntary conversions (sections 1033 and 1071); small business corporation stock losses (sections 1242-1244); election to be taxed as a corporation (section 1361); Subchapter S, Elections (sections 1371 and 1372); mitigation of effect of renegotiation of war contracts or disallowance of reimbursement (section 1481); interest equalization tax (sections 4911 through 4920 of the Internal Revenue Code); and requests for permission for change in or adoption of accounting periods and methods (except methods of accounting for depreciation and depletion). The Branch also acts as competent authority in matters involving interpretation or application of tax conventions, and makes determinations with respect to earnings and profits of corporations and the taxable status of distributions to shareholders.

1113.912 Depreciation, Depletion and Valuation Branch.

Provides advice and assistance throughout the Service and the Treasury Department and, under Main Treasury direction and in coordination with the Office of the Chief Counsel, to Congressional committees, on depreciation, depletion, and valuation questions arising in the oil and gas, mining, timber, pulp and paper, industrial, public utilities, real estate, and commercial fields; and assists the Office of the Chief Counsel and the Department of Justice in the development of cases involving such issues for trial or pre-trial settlement. In areas involving the application of Federal taxes, this branch also: Issues rulings and technical advice; drafts Revenue Rulings, Revenue Procedures, Technical Information Releases and Internal Revenue Manual issuances; reviews or assists in the preparation of booklets, pamphlets and other materials prepared for the guidance of Service personnel and the public; conducts special studies directed toward resolving technical problem areas; reviews Actions on Decisions; reviews proposed regulations for administrative feasibility and adequacy; analyzes and acts upon reports submitted by field offices under the Technical Coordinator

Program; coordinates with other Technical branches on matters of mutual concern and assists the Audit Division in its responsibility for planning and coordinating engineering aspects of the audit program, including assistance in the evaluation of field engineering staff requirements, participates in the development of tax return forms and instructions, and reviews pertinent portions of public use forms and instructions; passes upon requests for permission to change methods of accounting for depreciation and depletion and for approval of plans for the aggregation of nonoperating mineral interests as a single property under section 614(e) of the Code; provides informal technical advice to field offices; post-audits the depreciation, depletion and valuation issues of cases on which engineering reports have been prepared, and a sample of other large cases involving such issues; provides direct assistance to regional and district offices, upon request, on matters involving depreciation, depletion and valuation issues, including assistance on classification of returns; provides or secures expert witnesses in support of Government position in cases of litigation, and assists Government Counsel in preparation and presentation of cases and in negotiations of settlements; prepares training materials, including handbooks, jointly with Compliance; prepares and presents material on professional and technical developments at engineering institutes, and develops and conducts training programs for engineers; and prepares material for inclusion in the engineer coordination digest calling attention to important new developments.

1113.913 Individual Income Tax Branch.

In matters involving the application of Federal income taxes to noncorporate taxpayers (including partnerships, estates, and trusts), and with respect to the application of employment taxes (Chapter 21 to 25 inclusive, of the Internal Revenue Code) to both corporate and noncorporate taxpayers, and with respect to the taxes imposed on self-employment income (Chapter 2), this branch: Issues rulings and technical advice; drafts Revenue Rulings, Revenue Procedures, Technical Information Releases and Internal Revenue Manual issuances; reviews or assists in the preparation of booklets, pamphlets and other materials prepared for the guidance of Service personnel and the public; conducts special studies directed toward resolving technical problem areas; reviews Actions on Decisions; provides advice and assistance to other offices of the Service, including the Office of the Chief Counsel, and when appropriate, the Treasury Department, other Government agencies, and Congressional committees; reviews proposed regulations for administrative feasibility and adequacy; analyzes and acts upon reports submitted by field offices under the Technical Coordinator Program; coordinates with other Technical branches on matters of mutual concern; advises and assists the Audit Division in regard to the Service's audit program; participates in the development of tax return forms and instructions, and reviews pertinent por-

tions of public use forms and instructions; and participates in Technical's Annual Field Conference Program.

This Branch also considers issues involving: corporate contributions (section 170 of the Internal Revenue Code); cooperative housing corporations (section 216); employee stock option and stock purchase plans adopted by a corporation for its employees (sections 421-425); real estate investment trusts (sections 856-858); compensation of employees of foreign governments (section 893); earned income from sources outside the United States (section 911); Supplement S, that portion which relates to taxation of shareholders (sections 1373-1376); withholding of tax on foreign corporations (section 1442).

1113.914 Reorganization Branch.

In matters involving the taxable status of exchanges and distributions in connection with corporate organizations, reorganizations and liquidations, stock dividends, redemptions, exchanges, obedience to S.E.C. orders, and distributions pursuant to the Bank Holding Company Act, this branch: Issues rulings and technical advice; drafts Revenue Rulings, Revenue Procedures, Technical Information Releases and Internal Revenue Manual issuances; reviews or assists in the preparation of booklets, pamphlets and other materials prepared for the guidance of Service personnel and the public; conducts special studies directed toward resolving technical problem areas; reviews Actions on Decisions; provides advice and assistance to other offices of the Service, including the Office of the Chief Counsel, and when appropriate, the Treasury Department, other Government agencies, and Congressional committees; reviews proposed regulations for administrative feasibility and adequacy; analyzes and acts upon reports submitted by field offices under the Technical Coordinator Program; coordinates with other Technical branches on matters of mutual concern; advises and assists the Audit Division in regard to the Service's audit program; participates in the development of tax return forms and instructions, and reviews pertinent portions of public use forms and instructions; and participates in Technical's Annual Field Conference Program. This branch also determines whether distributions, redemptions, exchanges, or transfers referred to in sections 306(b)(4), 355(a)(1)(D)(ii), 367, and 1492 of the Internal Revenue Code are in pursuance of a plan having as one of its principal purposes the avoidance of Federal income taxes, and answers questions relating to small business investment stock (section 1244).

1113.92 Exempt Organizations and Pension Trust Division—Office of the Director.

Has primary responsibility for providing basic principles and rules for uniform interpretation and application of the tax laws with respect to organizations exempt from income tax under sections 501 and 521 of the Internal Revenue Code, and in matters involving the qualification of pension, annuity, profit-shar-

ing, stock bonus, and bond purchase plans, and the tax treatment of employees and their beneficiaries and deductions for employer contributions under such plans, pursuant to sections 401-407, inclusive of the Internal Revenue Code. In carrying out these responsibilities, the division: Issues rulings to taxpayers, technical advice to District Directors and Regional Commissioners, and advises the Appellate and Audit Divisions of the Service's position on particular issues; drafts Revenue Rulings, Revenue Procedures, and Technical Information Releases to be published for the guidance of taxpayers and Service personnel; drafts or reviews, IR Manual issuances to be published for the guidance of Service personnel; reviews, or where appropriate, assists in preparing technical booklets, training materials, pamphlets, and other material prepared for the guidance of taxpayers and Service personnel; conducts special studies of technical problem areas, including reappraisals of current rules and practices, with a view toward reducing controversy and promoting uniformity; reviews Actions on Decisions announcing the Commissioner's position on adverse decisions of the Tax Court of the U.S.; initiates recommendations and coordinates with the Office of the Chief Counsel in providing advice and assistance to that office, and to the Treasury Department and the Committees of Congress, on legislative and regulatory matters; coordinates with the Office of the Chief Counsel and the Department of Justice in providing advice and assistance in connection with matters in litigation; reviews newly proposed and amendatory regulations for administrative feasibility and adequacy; analyzes and acts upon reports submitted by field offices under the Technical Coordinator Program which disclose tax administrative problems, abuses, and inequities, as well as the views of operating personnel as to the quality and effectiveness of regulations and tax return forms, the need for new or amendatory legislation or regulations, etc.; coordinates on matters of mutual concern with other Technical Divisions, the Compliance organization and, where appropriate, with other offices of the Treasury Department and other Government agencies; supplies the Audit Division with names or essential identifying characteristics of persons or organizations, and otherwise advises and assists the Audit Division in the selection of representative cases, involving issues on which Service position needs to be established, clarified, or otherwise developed; aids the Audit Division in developing the scope and techniques needed in the examinations or investigations of such issues; and supplies information for use by the Audit Division in programming, evaluating, and guiding audit operations throughout the Service; participates in the development of tax return forms and instructions and reviews pertinent portions of public use forms and instructions; invites outside professional groups and industry and trade associations to participate in conferences and to submit comments, briefs and suggestions in connection with tax problems and matters

involving Revenue Rulings or Revenue Procedures proposed for the solution of tax problems; conducts conferences annually in each of the Regional Offices together, where appropriate, with representatives of the Chief Counsel's Office and the Audit Division, meeting with field personnel to discuss major programs of the Technical Organization, to present papers on particular substantive technical areas, to discuss and explore possible solutions to technical areas of concern to field offices, and to discuss other matters of mutual concern; manages the Service's Master File of Exempt Organizations; determines uses to be made of EOMF data and establishes procedures for obtaining data; works with other National Office divisions on ways and means for satisfying their needs for EOMF data, e.g., selecting returns for audit examination; etc. This Division also: Post-reviews field determination letters; on a certiorari basis, reviews and decides cases appealed by taxpayers to the National Office for reconsideration of District Director's determinations under sections 401-407, inclusive, of the Internal Revenue Code; under the technical advice procedures, provides the final level of appeal on District Directors' proposals to revoke the exempt status of organizations under section 501 of the Code; and conducts training classes for Internal Revenue Agents and National Office employees in new provisions of the Internal Revenue Code relating to sections 401-407, inclusive. The Director is responsible for and supervises the activities of two branches: Exempt Organizations Branch and Pension Trust Branch.

1113.921 Exempt Organizations Branch.

In matters involving the exemption of organizations under sections 501 and 521 of the Internal Revenue Code, this branch: Issues rulings and technical advice; drafts Revenue Rulings, Revenue Procedures, Technical Information Releases, and IR Manual issuances; reviews or assists in the preparation of booklets, pamphlets, and other materials for the guidance of Service personnel and the public; maintains in current status a comprehensive Exempt Organizations Handbook used as a textbook for new employees in this area, and as a reference guide by personnel examining applications for exemption, reviewing the status of organizations previously held exempt, and examining returns filed by these organizations; conducts special studies directed toward resolving technical problem areas; reviews Actions on Decisions; provides advice and assistance to other offices of the Service, including the Office of the Chief Counsel, and when appropriate, the Treasury Department, other Government agencies and Congressional committees; reviews proposed regulations for administrative feasibility and adequacy; participates in the development of tax return forms and instructions, and reviews pertinent portions of public use forms and instructions; analyzes and acts upon reports submitted by field offices under the Technical Coordinator Program; post-reviews field determination letters; co-

ordinates with other Technical branches on matters of mutual concern; advises and assists the Audit Division in regard to the Service's audit program; and participates in Technical's Annual Field Conference Program, provides the final level of appeal on District Directors' proposals to revoke the exempt status of organizations. This branch also passes on exempt organization matters involving: The requirements for filing annual information returns under section 6033 of the Code; liability for unrelated business income tax under sections 511 to 515, inclusive; prohibited transactions under section 503; and unreasonable accumulations, or misuse of, income under section 504.

1113.922 Pension Trust Branch.

In matters involving the qualification of pension, annuity, profit-sharing, stock bonus, and bond purchase plans and the tax treatment of employees and their beneficiaries and deductions for employer contributions under such plans, pursuant to sections 401-407, inclusive of the Internal Revenue Code, this branch: Issues rulings and technical advice; drafts Revenue Rulings, Revenue Procedures, Technical Information Releases and IR Manual issuances; reviews or assists in the preparation of booklets, pamphlets, and other materials prepared for the guidance of Service personnel and the public; conducts training classes for Internal Revenue agents and National Office employees in new provisions of the Internal Revenue Code; conducts special studies directed toward resolving technical problem areas; reviews Actions on Decisions; provides advice and assistance to other offices of the Service, including the Office of the Chief Counsel, and when appropriate, the Treasury Department, other Government agencies and Congressional committees; reviews proposed regulations for administrative feasibility and adequacy; participates in the development of tax return forms and instructions, and reviews pertinent portions of public use forms and instructions; analyzes and acts upon reports submitted by field offices under the Technical Coordinator Program; coordinates with other Technical branches on matters of mutual concern; advises and assists the Audit Division in regard to the Service's audit program; post-reviews field determination letters and, on a certiorari basis, reviews and decides cases appealed by taxpayers to the National Office for reconsideration of District Directors' determinations; determines the applicability of the annuity treatment under section 72 of the Code, the death benefit exclusion under section 101(b), and the sick pay exclusion under section 105(d), to distributions under qualified plans and exempt employees' trusts; passes upon the tax treatment accorded under nonqualified plans—deferred compensation; and participates in Technical's Annual Field Conference Program. This branch also passes on matters involving: Exemption of employees' trusts under section 501 of the Code; collateral matters involving the treatment of medical benefits for retired employees under qualified pension plans,

the limitations and restrictions on self-employed persons participating in qualified plans, and the tax treatment of distributions to nonresident aliens; deductions by acquiring corporations for carryovers under sections 381(c) (11) and (20); whether an employee's trust is operated as a feeder organization under section 502; whether transactions prohibited under section 503 have been engaged in; and whether exempt trusts have unrelated business taxable income under sections 511 to 515, inclusive.

1113.93 Miscellaneous Tax Division—Office of Director.

Has primary responsibility for providing basic principles and rules for uniform interpretation and application of the tax laws in areas involving the application of Federal estate, gift, and excise taxes; the procedure and administration provisions of the Internal Revenue Code (particularly Subtitle F); and on matters requiring actuarial determinations. In carrying out these responsibilities, the division: Issues rulings to taxpayers, technical advice to District Directors and Regional Commissioners, and advises the Appellate and Audit Divisions of the Service's position of particular issues; drafts Revenue Rulings, Revenue Procedures, and Technical Information Releases to be published for the guidance of taxpayers and Service personnel; drafts, or reviews, IR Manual issuances to be published for the guidance of Service personnel; reviews, or where appropriate, assists in preparing technical booklets, training materials, pamphlets and other materials prepared for the guidance of taxpayers and Service personnel; conducts special studies of technical problem areas, including reappraisals of current rules and practices, with a view toward reducing controversy and promoting uniformity; reviews Actions on Decisions announcing the Commissioner's position on adverse decisions of the Tax Court of the U.S. prior to publication in the Internal Revenue Bulletin; initiates recommendations and coordinates with the Office of the Chief Counsel in providing advice and assistance to that office, and to the Treasury Department and the Committees of Congress on legislative and regulatory matters; coordinates with the Office of the Chief Counsel and the Department of Justice in providing advice and assistance in connection with matters in litigation; reviews newly proposed and amendatory regulations for administrative feasibility and adequacy; analyzes and acts upon reports submitted by field offices under the Technical Coordinator Program which disclose tax administrative problems, abuses, and inequities, as well as the views of operating personnel as to the quality and effectiveness of regulations and tax return forms, the need for new or amendatory legislation or regulations, etc.; coordinates on matters of mutual concern with other Technical divisions, the Compliance organization and, where appropriate, with other offices of the Treasury Department and other Government agencies; supplies the Audit Division with names or essential identifying characteristics of persons or organizations, and other wise advices

and assists the Audit Division in the selection of representative cases, involving issues on which Service position needs to be established, clarified, or otherwise developed; aids the Audit Division in developing the scope and techniques needed in the examinations or investigations of such issues; and supplies information for use by the Audit Division in programming, evaluating, and guiding audit operations throughout the Service; participates in the development of tax return forms and instructions and reviews pertinent portions of public use forms; invites outside professional groups and industry and trade associations to participate in conferences and to submit comments, briefs and suggestions in connection with tax problems and matters involving Revenue Rulings or Revenue Procedures proposed for the solution of tax problems; and conducts conferences annually in each of the Regional Offices together, where appropriate, with representatives of the Chief Counsel's Office and the Audit Division, meeting with field personnel to discuss major programs of the Technical Organization, to present papers on particular substantive areas, to discuss and explore possible solutions to technical areas of concern to field offices, and to discuss other matters of mutual concern. The Division Director is responsible for and supervises the activities of four branches: Actuarial Branch; Administrative Provisions Branch; Estate and Gift Tax Branch; and Excise Tax Branch.

1113.931 Actuarial Branch.

In matters involving actuarial determinations, this branch: Issues rulings and technical advice; drafts Revenue Rulings, Revenue Procedures, Technical Information Releases and IR Manual issuances; reviews or assists in the preparation of booklets, pamphlets, and other materials prepared for the guidance of Service personnel and the public; conducts special studies directed toward resolving technical problem areas; reviews Actions on Decisions; reviews proposed regulations for administrative feasibility and adequacy; analyzes and acts upon reports submitted by field offices under the Technical Coordinator Program; participates in the development of tax return forms and instructions, and reviews pertinent portions of public use forms and instructions; participates in Technical's Annual Field Conference Program; furnishes expert consulting assistance to other Service components, including the Office of the Chief Counsel, and to other Federal and State Government Agencies, on actuarial questions involved in income tax treatment of pension, profit-sharing, stock bonus, annuity, life insurance, accident and health, and other benefit and compensation plans and contracts, and deductions for amounts paid or accrued on indebtedness under insurance contracts; and furnishes expert consulting assistance to the Estate and Gift Tax Branch in this Division and the Reorganization Branch in the Income Tax Division, in regard to valuation of life estates, remainder interests, contingent assurances, series of payments, and actuarial interests in trusts. Coordinates

with other branches on matters cutting across branch lines.

1113.932 Administrative Provisions Branch.

In matters involving the application of the procedure and administration provisions of the Internal Revenue Code, particularly those provided in Subtitle F, this branch: Issues rulings and technical advice; drafts Revenue Rulings, Revenue Procedures, Technical Information Releases and IR Manual issuances; reviews or assists in the preparation of booklets, pamphlets, and other materials prepared for the guidance of Service personnel and the public; conducts special studies directed toward resolving technical problem areas; reviews Actions on Decisions; provides advice and assistance to other offices of the Service, including the Office of the Chief Counsel and, when appropriate, the Treasury Department, other Government agencies, and Congressional committees; reviews proposed regulations for administrative feasibility and adequacy; analyzes and acts upon reports submitted by field offices under the Technical Coordinator Program; coordinates with other Technical branches on matters of mutual concern; advises and assists the Audit Division in regard to the Service's audit program; participates in the development of tax return forms and instructions, and reviews pertinent portions of public use forms and instructions; and participates in Technical's Field Conference Program. This branch also has jurisdiction as to the status of certain organizations as agencies or instrumentalities of the United States, a State, or political subdivision thereof or the District of Columbia.

1113.933 Estate and Gift Tax Branch.

In matters involving the application of Federal estate taxes and gift taxes, related statutes, and estate and gift tax treaties as to donors and estates, this branch: Issues rulings and technical advice; drafts Revenue Rulings, Revenue Procedures, Technical Information Releases, and IR Manual issuances; reviews or assists in the preparation of booklets, pamphlets and other materials prepared for the guidance of Service personnel and the public; conducts special studies directed toward resolving technical problem areas; reviews Actions on Decisions; provides advice and assistance to other offices of the Service, including the Office of the Chief Counsel and, when appropriate, the Treasury Department, other Government agencies, and Congressional Committees; reviews proposed regulations for administrative feasibility and adequacy; analyzes and acts upon reports submitted by field offices under the Technical Coordinator Program; coordinates with other Technical branches on matters of mutual concern; advises and assists the Audit Division in regard to the Service's audit program; participates in the development of tax return forms and instructions, and reviews pertinent portions of public use forms and instructions; and participates in Technical's Field Conference Program.

1113.934 Excise Tax Branch.

In matters involving the application of all Federal excise taxes other than alcohol tobacco, and firearms taxes (but including the manufacturer's excise tax on firearms under sections 4181 and 4182 of the Internal Revenue Code), this branch: Issues rulings and technical advice; drafts Revenue Rulings, Revenue Procedures, Technical Information Releases and IR Manual issuances; reviews or assists in the preparation of booklets, pamphlets, and other materials prepared for the guidance of Service personnel and the public; conducts special studies directed toward resolving technical problem areas; reviews Actions on Decisions; provides advice and assistance to other offices of the Service, including the Office of the Chief Counsel and, when appropriate, the Treasury Department, other Government agencies and Congressional committees; reviews proposed regulations for administrative feasibility and adequacy; analyzes and acts upon reports submitted by field offices under the Technical Coordinator Program; coordinates with other Technical branches on matters of mutual concern; advises and assists the Audit Division in regard to the Service's audit program; participates in the development of tax return forms and instructions, and reviews pertinent portions of public use forms and instructions; and participates in Technical's Field Conference Program.

1113.94 Technical Publications and Services Division—Office of the Director.

Has primary responsibility for conducting the publications program of the Technical Organization; conducting the public use forms and instructions program for the Service and assisting in conducting the Service's form letters program; managing the overall correspondence program for the Technical Organization; and maintaining research facilities and providing reference services for the Technical Organization and other segments of the National Office. This division also has responsibility for promoting and maintaining a technical liaison program with regional and district offices of the Service, and for coordinating the Technical Organization's annual Field Conferences Program. In carrying out these responsibilities, the division: Conducts programs for preparation and publication of technical booklets, pamphlets and other materials for the guidance of Service personnel and the taxpayer public; reviews tax guide material prepared by other government agencies and, where warranted, such material prepared by other government agencies, and other organizations outside the Service; conducts a program for publication of the Internal Revenue Bulletin and related materials, setting forth precedent Revenue Rulings, Revenue Procedures, court decisions, regulations, public laws, and other official pronouncements of the Service; conducts a program for the annual development of (including responsibility for the technical content) all tax return forms and instructions covering Federal income, em-

ployment, excise, estate, and gift taxes; coordinates and assists in the work of the National Office Tax Forms Coordinating Committee in planning, reviewing, and approving tax return forms material; and assists the Committee in the performance of its review and approval function relating to public use forms and public use form letters; manages Technical's correspondence program by analyzing and directing the flow of all inquiries, requests for advice, reports submitted by field offices under the Technical Coordinator Program, etc., to the appropriate Technical Organizations units; issuing direct reply to communications involving requests for information of a general technical nature; and maintaining and servicing Technical's closed correspondence files and records; serves as liaison on Congressional correspondence and oral inquiries on matters within the jurisdiction of the Assistant Commissioner (Technical); maintains a technical reference library and provides reference services for the National Office; serves as point of contact with the Public Information Division with respect to exempt organization material to be made available for inspection under section 6104 of the Internal Revenue Code; and coordinates with other Technical Divisions on matters of mutual concern. This Division also: Conducts and coordinates a technical liaison program with regional and district offices to encourage the submission of field reports on cases which disclose tax administrative problems, abuses, and inequities; the views of field personnel as to the quality and effectiveness of regulations and tax return forms and their effect on taxpayer relations and compliance; the need for new or amendatory legislation or regulations, etc., conducts and coordinates special surveys upon request of the Treasury Department, to obtain factual information from Service field offices on tax areas in which legislation has been proposed or is being considered; and coordinates the Technical Organization's annual Technical Field Conferences Program whereunder teams of technical personnel who are specialists in the various tax areas, together with representatives of the Chief Counsel's Office and the Audit Division, visit and meet with field personnel in a District Office in each Region to discuss major programs of the Technical Organization, to present papers on particular substantive technical areas, to discuss and explore possible solutions to technical areas of particular concern to the field offices, and to discuss other matters of mutual concern and interest. The director is responsible for and supervises the activities of three branches: Technical Publications Branch; Forms and Form Letters Branch; and Administrative Services Branch.

1113.941 Technical Publications Branch.

Conducts the publications program of the Technical Organization, which provides for dissemination of timely, comprehensive, and understandable explanations and information on the principles

and rules established for the application of all Federal taxes (other than alcohol and tobacco, and certain firearms taxes) for the guidance of Service personnel and the public. In carrying out this responsibility, this Branch: On an annual basis, initiates, drafts and publishes comprehensive technical tax guide booklets, pamphlets and other public use materials such as Your Federal Income Tax, Tax Guide for Small Business, Farmer's Tax Guide, the high school "Teaching Taxes" program, Guide to Federal Estate and Gift Taxation, and others; conducts a program for keeping Service personnel up to date on significant technical developments in Federal taxation by publishing regular periodic summaries under the title Tax Briefs; initiates and drafts annual analyses and explanations in depth of important technical developments for use in the Annual Technical Review Institutes for field personnel; drafts, reviews for technical accuracy, and participates in the development of technical tax handbooks and guides for Service personnel and technical tax law text materials for use in Service training programs; drafts, reviews for technical accuracy, and participates in the development of releases, newspaper articles, radio and television program materials, etc., prepared by the Service's Public Information Division, and technical tax booklets and materials prepared by other Government agencies, and other organizations outside the Service; conducts a Reports on Current Tax Literature program to keep Service officials apprised on articles, comments, etc., published outside the Service regarding loopholes or inequities, and criticisms of Service positions or policies; and coordinates with other Technical branches in the preparation and review of technical materials, and on other matters of mutual concern. This Branch is also responsible for the publication of the weekly Internal Revenue Bulletin, the Commissioner's authoritative instrument for announcing official rulings and procedures of the Service, and for publishing Treasury Decisions, Executive Orders, tax conventions, legislation, court decisions, and other items of general interest. It also: Prepares for publication the Service's loose-leaf Regulations system, and other technical publications; prepares and publishes digests of substantive material published in the Bulletin for research and reference use throughout the Service; prepares and publishes finding lists and topical indexes on materials published in the Bulletin; accumulates and publishes appropriate material from the weekly Internal Revenue Bulletin in semi-annual Cumulative Bulletins; compiles record retention requirements from Regulations for publication in the FEDERAL REGISTER; and coordinates with the Publications Branch in the Facilities Management Division and, where appropriate, with the Government Printing Office, in connection with the publication of the Internal Revenue Bulletin and other technical publications.

1113.942 Forms and Form Letters Branch.

Conducts the Service's public use forms and instructions program, and assists in the Service's form letters program. In carrying out these responsibilities, this Branch: On an annual basis, initiates, develops and revises the technical content of all public use tax return forms, instructions, schedules, etc., relating to employment, estate, excise, gift and income taxes; coordinates the functions of the National Office Tax Forms Coordinating Committee in planning, reviewing and approving all public use tax return forms material; assists the National Office Tax Forms Coordinating Committee in its review and approval functions relating to public use form letters; provides advice and assistance to other offices in the Service, the Treasury Department and Congressional Committees in matters relating to tax return forms and instructions; and coordinates with other Technical branches on matters of mutual concern.

1113.943 Administrative Services Branch.

Manages the Technical Organization's over-all correspondence program and provides research and reference services for the Technical Organization and other segments of the National Office. In carrying out these responsibilities, this Branch: Acknowledges receipt of, analyzes, and directs the flow of all incoming correspondence, including requests for rulings and technical advice, general inquiries, reports submitted by Service field offices under the Technical Coordinator Program, etc., to the appropriate Technical division or branch; coordinates with other offices in Compliance, Data Processing and Administration on correspondence crossing jurisdictional lines; serves as liaison office and point of contact on all Congressional office inquiries, oral or written, relating to matters under the jurisdiction of the Technical Organization; keeps the Assistant Commissioner (Technical) informed regarding incoming communications involving sensitive or controversial matters; issues direct replies to all communications involving requests for information of a general technical or procedural nature, including a substantial portion of the Congressional office inquiries directed to the Technical Organization; corresponds with field offices to supply or request needed information or files; processes, maintains and services all closed correspondence files and related records for the Technical Organizations; and maintains a technical reference library and provides research assistance and reference services for the Technical Organization and other offices in the Service's National Office. In connection with exempt organization applications and returns which are open to public inspection under section 6104 of the Internal Revenue Code, this Branch also: Maintains and services files on exempt organization applications and returns; processes requests for inspection of this material; and screens these files and de-

letes certain types of materials which are precluded from public inspection. In connection with Powers of Attorney submitted with requests for rulings, this Branch also: Determines their validity and acceptability and conducts correspondence seeking correction of those which are improperly drawn.

1113.(10) Office of the Chief Counsel.

The Chief Counsel, an Assistant General Counsel of the Treasury Department, serves as a member of the Commissioner's executive staff and as counsel and legal officer to the Commissioner on all matters pertaining to the administration and enforcement of the internal revenue laws and related statutes. The key officials under his supervision are: Deputy Chief Counsel, Associate Chief Counsel (Litigation), an Executive Assistant, a staff of Technical Advisors, Special Assistants, and Directors of the Legislation and Regulations, Interpretative, Joint Committee, and Operations and Planning Divisions.

1113.(10)1 Deputy Chief Counsel.

The Deputy Chief Counsel assists and acts for the Chief Counsel in planning, directing, coordinating, and controlling the policies and programs of the Office and in giving over-all executive leadership to its activities. The Deputy Chief Counsel acts for the Chief Counsel in supervising all phases of the work of the Office, including that of the Staff, the Division Directors, and the Regional Counsel.

1113.(10)2 Associate Chief Counsel (Litigation).

Plans, directs, coordinates and controls the policies and programs pertaining to Tax Court, Enforcement, Alcohol and Tobacco Tax, Collection Litigation, and Refund Litigation work.

1113.(10)21 Tax Court Division.

The Tax Court Division develops policies, programs, and procedures relating to the disposition of tax cases pending in the Tax Court of the United States; supervises and coordinates the defense and settlement and the processing and handling of such cases, including preparation of pleadings, recomputations and other documents filed with the Tax Court together with hearings thereon to assure uniform treatment; coordinates and reviews Tax Court matters prepared in the regional offices; including the rendering of technical advice to the field offices, the approval of Chief Counsel's Decisions, the review of briefs to be filed with the Tax Court and recommendations of field offices for acquiescence or non-acquiescence in adverse Tax Court decisions; prepares recommendations to the Department of Justice for the Commissioner's appeals to the Courts of Appeals and prepares petitions and records on review in such cases; makes recommendations to that Department regarding offers in compromise or settlement and prepares recommendations for or against filing petitions for writs of certiorari to the Supreme Court in such

cases. It supervises the preparation and trial of cases assigned to, and handled by, attorneys in the Trial Branch.

1113.(10)22 Enforcement Division.

The Enforcement Division handles and prepares for final decision those criminal tax cases referred to the Chief Counsel by Regional Counsel or by the National Office. It considers cases in which the Regional Commissioner and the Director of the Intelligence Division of the Office of the Assistant Commissioner (Compliance) do not concur in recommendations of Regional Counsel involving prosecution. The Division prepares acquiescence memorandums or protest letters on decisions by the Department of Justice or United States Attorneys against prosecution and recommendations to the Department of Justice respecting appeals of court decisions in criminal tax cases. It also prepares law opinions in cases involving penalties or other legal questions with respect to criminal cases or investigations or with respect to the disclosure of information. The Division coordinates with the Department of Justice or interested branches of the Service any questions involving investigations or actions respecting the civil aspects of pending criminal cases.

1113.(10)23 Alcohol and Tobacco Tax Legal Division.

The Alcohol and Tobacco Tax Legal Division performs all of the legal services in the National Office incident to the administration and enforcement of the provisions of the Internal Revenue Code which relate to alcohol, tobacco products and firearms, the Federal Alcohol Administration Act, the Federal Firearms Act, Chapter 59 of the Criminal Code relating to the liquor traffic (18 U.S.C. Sections 1261 through 1265), certain provisions of the Customs and Transportation laws relating to the forfeiture and to the remission and mitigation thereof of contraband and articles used or intended to be used in violation of these laws and of the wagering tax provisions of the Internal Revenue Code, and the legal work arising under the Federal Tort Claims Act in respect of the negligent acts of Service employees. Execution of these functions includes the rendering of legal opinions, assisting in conferences and hearings held by the administrative officers with taxpayers and other interested parties, advising as to legal problems involved in their handling of individual cases handling appeals to the Director, Alcohol and Tobacco Tax Division, in administrative quasi-judicial proceedings, drafting and reviewing proposed legislation, regulations, Treasury decisions, notices and accompanying documents, preparing and reviewing formal legal opinions, Revenue Rulings, and correspondence involving the interpretation or enforcement of the regulations, and the compromise of liabilities arising thereunder, preparing recommendations and furnishing advice and assistance to the Department of Justice in civil and criminal cases arising under the cited laws. It maintains general supervision over the legal work involving alcohol and tobacco matters performed in the offices

of Regional Counsel. The Division advises the Regional Counsel, when requested, concerning legal matters considered by them.

1113.(10)24 Collection Litigation Division.

The Collection Litigation Division supervises and coordinates legal work of Regional Counsel on collection litigation matters. It reviews certain offers in compromise (except those concerning alcohol, tobacco and firearms taxes). It prepares advisory opinions on collection litigation matters. The Division prepares and reviews recommendations to the Department of Justice concerning certiorari, appeal and petition for review in relation to all collection litigation cases. It handles certain legal work for the Director of the Office of International Operations. The Collection Litigation Division prepares and reviews recommendations to the Department of Justice concerning (a) the defense of injunction actions to restrain the assessment or collection of federal taxes; (b) offers in settlement; (c) the waiver or release of a right to redeem under 28 U.S.C. 2410; and (d) suits for the civil enforcement of summonses. Similarly, the Division considers recommendations that the Commissioner authorize or sanction affirmative action in (a) insolvency cases (including decedents' estate proceedings), (b) suits for foreclosure of mortgages or other liens and suits to quiet title where the United States is named as a party defendant, (c) cases involving appointment of a receiver in aid of foreclosure of Federal tax liens, and (d) suits for the collection of taxes.

1113.(10)25 Refund Litigation Division.

The Refund Litigation Division performs all necessary legal service on behalf of the Internal Revenue Service in connection with taxpayers' suits for refund of taxes (except alcohol and tobacco taxes). It determines and coordinates the legal position of the Service in such suits and incorporates such determinations in recommendations to the Department of Justice with respect to the defense of such suits, the acceptance or rejection of settlement proposals and appeals and petitions for certiorari from adverse court decisions. The Division performs all necessary legal services on behalf of the Service in connection with all civil litigation affecting the Service and not within the responsibility of any other Division.

1113.(10)3 Legislation and Regulations Division.

The Legislation and Regulations Divisions participate and provides technical assistance in the development and drafting of internal revenue legislation and reviews as to legal form and substance recommendations for new and amendatory legislation. The Division cooperates with the Internal Revenue Service Technical Planning Division in the development of the Service's program for the preparation of new and revised regulations, including Treasury decisions, and in accordance with the approved program undertakes preparation of most income tax regulations. It reviews as to

legal form and substance all proposed regulations and Treasury decisions, except those pertaining to alcohol, tobacco, and firearms taxes. Representatives of the Division participate in public hearings on proposed regulations.

1113.(10)4 Interpretative Division.

The Interpretative Division reviews as to form and legality interpretations of internal revenue statutes and regulations and other law and legal materials bearing upon the administration of the Internal Revenue Service except those relating to: (a) Alcohol, tobacco and firearms matters; (b) criminal tax investigations and prosecutions; (c) lien and collection matters, including those involving bankruptcies, receiverships and other insolvencies; (d) administrative matters; (e) disclosure matters; and (f) summons enforcement matters. The Division prepares formal opinions of the Chief Counsel in assisting him in carrying out his functions as legal advisor to the Commissioner in the technical area. The Division is also responsible for the legal review of closing agreements.

1113.(10)5 Joint Committee Division.

The Joint Committee Division of the Chief Counsel's Office is responsible for the reviews of proposed refunds or credits of income, excess profits, estate or gift tax in excess of \$100,000 and of refunds or credits of income or excess profits tax in excess of \$100,000 which tentatively have been made and, if approved, for the preparation of the report to the Joint (Congressional) Committee on Internal Revenue Taxation as required by section 6405 of the Internal Revenue Code, together with related deficiencies. Such refunds or credits arise from audits of taxpayers' returns or claims for refund or from proposed administrative settlements of cases pending in the Tax Court of the United States or in the United States Court of Claims or District Courts.

1113.(10)6 Operations and Planning Division.

Operations and Planning Division is responsible for all law work in the Internal Revenue Service other than substantive tax law work; at the direction of the Chief Counsel performs special assignments of a technical nature in substantive tax law. The Division serves as the principal legal advisor to the Assistant Commissioner (Administration), the Assistant Commissioner (Data Processing) and the Assistant Commissioner (Inspection). The Division is responsible for the supervision and coordination of all legal management work of the Chief Counsel's Office (National Office and all field offices); establishes and maintains appropriate standards of professional competence by members of the legal staff of the office and evaluates their legal competence; analyzes the workload of the office, and determines the distribution of personnel available to handle the workload. The Division is responsible for the general supervision of all matters relating to administration and management in the Office of the Chief Counsel. Reviews and prepares

for action enrollee and disbarment cases referred to the Chief Counsel by the Director of Practice, and represents the latter in the trial of cases before Hearing Examiners.

1114 Office of Regional Commissioner.

1114.1 Mission.

The mission of the Office of Regional Commissioner is to execute the broad nationwide policies and programs for the administration of the internal revenue laws, to carry out appellate and alcohol and tobacco tax programs at the regional level, and direct and coordinate the functions and activities of the district offices within the region.

1114.2 Basic organization.

The principal organization components of the typical Office or the Regional Commissioner are the immediate office of the Regional Commissioner, the Administration Division, the Alcohol and Tobacco Tax Division, the Appellate Division, the Audit Division, the Collection Division, the Data Processing Division, and the Intelligence Division. An Assistant Regional Commissioner is at the head of each division.

1114.3 Regional Commissioner.

The Regional Commissioner administers within an assigned regional area the collection, audit, intelligence, appellate, alcohol and tobacco tax, and administration programs of the Internal Revenue Service. He carries out Service policies and programs in conformity with delegations of authority and, in this connection, establishes regional standards and programs to assure proper and effective implementation of Service-wide policies and programs within his region. The Regional Commissioner supervises and coordinates the work of the staff of the regional Office and the District Directors within his region to assure that work is processed in an orderly and timely manner, and that proper and equitable emphasis is placed and directed toward the accomplishment of current program objectives. As the principal field official, he evaluates the effectiveness of Service policies and programs, and advises the National Office as to the need for revising such policies and programs to bring about improved operations or service.

1114.4 Assistant Regional Commissioner (Administration).

The Assistant Regional Commissioner (Administration) acts as the principal assistant to the Regional Commissioner in planning, coordinating and evaluating the administration activities of the Service under the jurisdiction of the Regional Commissioner to assure that administration policies and programs are properly executed. In conformity with administration policies, and programs established by the National Office, he develops regional standards and other measures necessary to implement most effectively the administration program of the Service which includes budget and fiscal management, personnel administration, training, public information, property and records management, use of facilities, printing and reproduction, and re-

ports management. He also coordinates organization planning and advises and makes recommendations to the Regional Commissioner thereon; and furnishes guidance for and coordinates management programs. He provides the Regional Commissioner with results of evaluations and other information upon which to base his administration of the regional administration programs and recommends improvements and adjustments therein needed to bring about and sustain a high level of performance in administration activities within the region. Under the Regional Commissioner he serves as the primary source of information to the National Office as to the effectiveness of administration policies, programs, procedures and standards in terms of regional and district requirements, provides reports and factual information upon which the National Office can base administration policy and program considerations, and recommends appropriate action with respect to problems encountered in observing and evaluating administration operations. Within the limits of his delegated authority, he provides the Regional Counsel and Regional Inspector with such administrative services as they may require in the performance of their duties. He is responsible for and supervises the activities of four branches: Facilities Management Branch, Fiscal Management Branch, Personnel Branch, and Training Branch.

1114.41 Facilities Management Branch.

The Facilities Management Branch coordinates, evaluates and carries out regionwide programs for providing essential support activities designed to increase the effectiveness of the region, reduce its operating costs and improve taxpayer relations. Develops within the broad guidelines established by the National Office standards and procedures for such matters, as the management of paperwork; space; property and supply; procurement and contracts; production, storage, and distribution of forms and publications initiated within the region and distribution and requirements of National Office forms and publications; emergency planning for civil defense; fire and safety, document and property security; and processes all claims arising within the region under the Federal Tort Claims Act.

1114.42 Fiscal Management Branch.

The Fiscal Management Branch performs, coordinates and evaluates budgeting, administrative accounting and financial reporting (other than for revenue collections) for the region, including the preparation of the financial plan within over-all budget limitations, submission of budget data, allotment of funds, maintenance of accounts, and examination of vouchers. This Branch participates in long-range planning involving expenditures for personnel, equipment, administrative services, space and similar items.

1114.43 Personnel Branch.

The Personnel Branch develops and evaluates the regional personnel program and standards relating to recruit-

ment and selection, employee relations, disciplinary actions, performance evaluation, promotions, in-service placements, incentive awards, records, reports and other aspects of a complete personnel program, within the framework of Service policies, programs and procedures established by the National Office, and conducts the personnel program for the regional office. It conducts the position classification program for the region. This Branch represents the region in contacts with employee groups and the Regional Directors of the Civil Service Commission.

1114.44 Training Branch.

(1) The Training Branch provides leadership and coordination to the regional training programs and evaluates and reports on all such programs. It coordinates the regional execution of nationwide training programs; gives advice on all training programs conducted within the region; and assists in their development from the standpoint of training techniques. It participates in and coordinates the development of regional training programs to meet training needs that cut across organizational lines, such as supervisory training and training in clerical skills.

(2) The Training Branch also administers any formal Taxpayer Education Program for the region. Where a formal Taxpayer Education Program is administered by this branch, the branch title is Training and Taxpayer Education Branch.

1114.5 Assistant Regional Commissioner (Alcohol and Tobacco Tax).

The Assistant Regional Commissioner (Alcohol and Tobacco Tax) acts as the principal assistant to the Regional Commissioner in planning, directing, and coordinating the Alcohol and Tobacco Tax activities of the Service under the jurisdiction of the Regional Commissioner for the execution of Service policies and programs established by the National Office. He is responsible to the Regional Commissioner for the administration and enforcement of Internal Revenue laws relating to alcohol, alcoholic beverages and products, and tobacco and tobacco products; and related laws including the Federal Alcohol Administration Act, the National and Federal Firearms Acts and the Liquor Enforcement Act of 1936. This includes the supervision and control, under Federal laws, of units of the lawful liquor and tobacco industries located within the region. Under the Regional Commissioner he serves as the primary source of information to the National Office as to the effectiveness of Alcohol and Tobacco Tax policies, programs, procedures and standards in terms of regional requirements, provides reports and factual information upon which the National Office can base Alcohol and Tobacco Tax policy and program considerations and recommends actions with respect to problems encountered in Alcohol and Tobacco Tax operations. He supervises the activities of three branches: Enforcement Branch, Laboratory Branch, and Permissive Branch, and all branch offices located within the region.

1114.51 Permissive Branch.

(1) The Permissive Branch coordinates and evaluates the Alcohol and Tobacco Tax permissive activities to assure that throughout the region the policies and programs are properly executed with equal emphasis and uniform effort and that the work is processed in an orderly and timely manner.

(2) In conformity with Alcohol and Tobacco Tax permissive policies and programs established by the National Office, it develops regional programs, standards, and other measures necessary to implement most effectively the control and supervision of the legally qualified liquor and tobacco industries and permittees.

(3) The Branch exercises jurisdiction over the qualification of plants and premises and issuances of permits, and examines and/or audits reports relating to plant operations submitted by proprietors and Government employees. In regions where there are no branch offices (combination), it also directs the activities of all Permissive employees, provides advice and guidance to the industry, and supervises its operations through the direction and assignment of inspectors (on-premises) and inspectors (general). In regions where there are branch offices (combination), the branch provides advice and guidance to the industry in matters beyond the scope of the branch office, and provides functional advice and guidance to branch offices (combination), on permissive matters.

1114.52 Laboratory Branch.

(1) The Laboratory Branch coordinates and evaluates the Alcohol and Tobacco Tax Laboratory activities to assure that throughout the region the policies and programs are properly executed and that the work is prepared in an orderly and timely manner.

(2) In conformity with Service policies and Alcohol and Tobacco Tax programs established by the National Office develops regional practices, standards, and other measures necessary to implement most effectively the laws and regulations governing alcohol, alcoholic beverage, and tobacco industries.

(3) The Branch analyzes beverages and non-beverage products containing alcohol, examines illegally-produced alcoholic beverage, examines drugs submitted by the Bureau of Narcotics in connection with the enforcement of the Harrison Narcotic Act and the Marihuana Act, carries out analyses and work for other IRS divisions upon request, advises on technical matters pertaining to the production, storage, tax payment, and disposition of alcohol, alcoholic beverages, and tobacco products, and the denaturation of distilled spirits, use of tax-free alcohol, manufacture of non-beverage products and articles in which denatured alcohol is used; members of the staff testify as expert witnesses on chemical matters in civil and criminal actions.

(4) The Branch provides functional advice and guidance to branch offices on laboratory matters.

1114.53 Enforcement Branch.

(1) The Enforcement Branch coordinates and evaluates the Alcohol and

Tobacco Tax enforcement activities, including those relating to retail liquor dealers, to assure that throughout the region the policies and programs are properly executed with equal emphasis and uniform effort and that the investigative work is pursued in an orderly and timely manner.

(2) In conformity with Alcohol and Tobacco Tax enforcement policies and programs established by the National Office, it develops regional programs, standards, and other measures necessary to implement most effectively the investigative program relating to violation of the Internal Revenue laws and other statutes relating to alcohol, alcoholic beverages and products, tobacco and tobacco products and firearms.

(3) The Branch also directs and performs investigations of all major criminal cases throughout the region and provides functional advice and guidance to branch offices on enforcement matters.

1114.54 Branch offices.

(1) Branch offices, headed by supervisors in charge, direct the permissive and/or enforcement activities within assigned areas of jurisdiction. Those that direct permissive and enforcement activities are known as Combination Offices, and those that direct only enforcement activities are known as Enforcement Offices. All branch offices in the Southeast, and Southwest Regions, as well as the office in Charleston, West Virginia, are Enforcement Offices. All other branch offices are Combination Offices.

(2) In the regulatory or permissive field, Combination Offices provide advice and guidance to the industry and supervise its operations through the direction and assignment of inspectors (on-premises) and inspectors (general). The activities of the industry supervised include production, storage, tax payment, disposition and use of alcoholic liquors and tobacco by qualified permittees and registrants.

(3) In the enforcement field, all branch offices engage in the investigation, prevention, and detection of willful and/or fraudulent substantive violations of the Internal Revenue liquor and tobacco laws, the Federal Alcohol Administrative Act, the Liquor Enforcement Act of 1936, the National and Federal Firearms Acts, the regulations promulgated thereunder, and related statutes. This involves the apprehension of violators against such laws; the submission of evidence adduced to United States Attorneys for criminal prosecution and forfeiture action and/or to the Regional Commissioner's office for administrative action; the seizure, custody, forfeiture and disposition of real and personal property; the enforcement of the laws and regulations for the control of the flow of raw materials intended for use in the illicit manufacture of distilled spirits; and the inspection of retail liquor dealer establishments.

1114.6 Assistant Regional Commissioner (Appellate).

The Assistant Regional Commissioner (Appellate) acts as the principal assistant to the Regional Commissioner in

planning, directing, coordinating and evaluating the appellate activities of the Service under the jurisdiction of the Regional Commissioner within the framework of Service policies and programs established by the National Office. He is responsible to the Regional Commissioner for a program of hearing and undertaking final settlement of taxpayers' appeals from determinations of tax liability made by District Directors within the region involving income, profits, estate, gift, and employment taxes, and excise taxes except those imposed on alcohol, wagering, narcotics, firearms, and tobacco. He is responsible for a program of hearing and, with concurrence of Regional Counsel, undertaking final settlement of certain cases docketed in the Tax Court; and for a program of final review for the Commissioner in cases involving overassessments or overpayments in excess of \$100,000 requiring review by the Chief Counsel or the Joint Committee on Internal Revenue Taxation. His program includes the hearing of administrative appeals in cases involving offers in compromise. In that capacity, he represents the Commissioner of Internal Revenue and exercises the authority of his office pursuant to, and within the limits of, a delegation of authority from the Regional Commissioner. Under the Regional Commissioner he serves as the primary source of information to the National Office as to the effectiveness of appellate policies, programs, procedures, and standards in terms of regional requirements, provides reports and factual information upon which the National Office can base appellate policy and program considerations, and recommends action with respect to problems encountered in appellate operations. He supervises the activities of all appellate branch offices in the region.

1114.61 Appellate branch offices.

The basic settlement work of the Appellate Division is performed in branch offices of the Division which are headed by Chiefs or Assistant Chiefs who report to the Assistant Regional Commissioner (Appellate). The branch office conducts hearings and makes final determinations, within the limits of its delegated authority, on cases involving income, profits, estate, gift, and employment taxes and excise taxes, except those imposed on alcohol, wagering, narcotics, firearms and tobacco, in which taxpayers have requested appellate consideration. The branch office conducts hearings and, with the concurrence of the Regional Counsel, effects settlement of cases which have been docketed in the Tax Court before the opening date of the session at which the case is calendared for trial, or of any pre-trial hearing or report session thereon. It makes the final review for the Commissioner in all cases involving overpayments in excess of \$100,000 which are subject to review by the Chief Counsel or the Joint Committee on Internal Revenue Taxation. The branch office considers protested offers in compromise and makes recommendations on final closing agreement.

1114.7 Assistant Regional Commissioner (Audit).

(1) The Assistant Regional Commissioner (Audit) acts as the principal assistant to the Regional Commissioner in planning, coordinating and evaluating the audit activities of the Service under the jurisdiction of the Regional Commissioner to assure that policies and programs are properly executed, that audit work is processed in an orderly and timely manner, that equal emphasis is placed and uniform effort directed toward the accomplishment of the current audit program objectives, and that required standards for audit uniformity are being maintained. In conformity with audit policies, and programs established by the National Office, he develops regional programs, standards, and other measures necessary to implement most effectively the audit program of the Service which includes the selection of returns for audit, their examination and investigation, the determination of tax liabilities and penalties where applicable, a regional review of selected cases closed by the district offices and the administrative disposition of offers in compromise. He provides the Regional Commissioner with results of evaluation and other information upon which to base his administration of the regional audit program and recommends improvements and adjustments in audit operations needed to bring about and sustain a high level of performance within the region. Under the Regional Commissioner he serves as the primary source of information to the National Office as to the effectiveness of policies, programs, procedures and standards in terms of regional and district requirements, provides reports and factual information upon which the National Office can base policy and program considerations, and recommends appropriate action with respect to problems encountered in observing and evaluating audit operations.

(2) In the Central Region, where centralized review of audit cases has been established, the functions of this office are as follows:

The Assistant Regional Commissioner (Audit) acts as the principal assistant to the Regional Commissioner in planning, coordinating and evaluating the audit activities of the Service under the jurisdiction of the Regional Commissioner to assure that policies and programs are properly executed, that audit work is processed in an orderly and timely manner, that equal emphasis is placed and uniform effort directed toward the accomplishment of the current audit program objectives, and that required standards for audit uniformity are being maintained. In conformity with audit policies, and programs established by the National Office, he develops regional programs, standards, and other measures necessary to implement most effectively the audit program of the Service which includes the selection of returns for audit, their examination and investigation, the determination of tax liabilities and penalties where applicable, tax assistance to taxpayers and the administrative disposition of offers in compromise.

He provides the Regional Commissioner with results of evaluation and other information upon which to base his administration of the regional audit program and recommends improvements and adjustments in audit operations needed to bring about and sustain a high level of performance within the region. Under the Regional Commissioner he serves as the primary source of information to the National Office as to the effectiveness of policies, programs, procedures and standards in terms of regional and district requirements, provides reports and factual information upon which the National Office can base policy and program considerations, and recommends appropriate action with respect to problems encountered in observing and evaluating audit operations. He also reviews, as a service to the districts, all field audit and unagreed office audit cases and a selected sample of agreed office audit cases examined by the district offices (except that cases in which the expiration of the statute of limitations is imminent are reviewed after the necessary assessment, overassessment or statutory notice action is completed).

1114.8 Assistant Regional Commissioner (Collection).

(1) In offices which include an Assistant Regional Commissioner (Data Processing) the functions of the Assistant Regional Commissioner (Collection) are as follows:

The Assistant Regional Commissioner (Collection) acts as the principal assistant to the Regional Commissioner in planning, coordinating and evaluating the collection activities of the Service under the jurisdiction of the Regional Commissioner to assure that policies and programs are properly executed, the collection work is processed in an orderly and timely manner, and that equal emphasis is placed and uniform effort directed toward the accomplishment of the current collection program objectives. In conformity with collection policies, and programs established by the National Office, he develops regional programs, standards and other measures necessary to implement most effectively the program of the Service for the collection of delinquent accounts and the securing of delinquent returns. He provides the Regional Commissioner with results of evaluations and other information upon which to base his administration of the regional collection program and recommends improvements and adjustments in collection operations needed to bring about and sustain a high level of performance within the region. Under the Regional Commissioner he serves as the primary source of information to the National Office as to the effectiveness of collection policies, programs, procedures and standards in terms of factual information upon which the National Office can base collection policy and program considerations and recommends appropriate action with respect to problems encountered in observing and evaluating collection operations. He is also responsible for the year-round taxpayer assistance program.

(2) In offices which do not include an Assistant Regional Commissioner (Data

Processing) the functions of the Assistant Regional Commissioner (Collection) are as follows:

The Assistant Regional Commissioner (Collection) acts as the principal assistant to the Regional Commissioner in planning, coordinating and evaluating the collection activities of the Service under the jurisdiction of the Regional Commissioner to assure that policies and programs are properly executed, that collection work is processed in an orderly and timely manner, and that equal emphasis is placed and uniform effort directed toward the accomplishment of the current collection program objectives. In conformity with collection policies, and programs established by the National Office, he develops regional programs, standards and other measures necessary to implement most effectively the program of the Service for the collection and accounting of revenue, including the collection of delinquent accounts and the securing of delinquent returns. He provides the Regional Commissioner with results of evaluations and other information upon which to base his administration of the regional collection program and recommends improvements and adjustments in collection operations needed to bring about and sustain a high level of performance within the region. Under the Regional Commissioner he serves as the primary source of information to the National Office as to the effectiveness of collection policies, programs, procedures and standards in terms of regional and district requirements, provides reports and factual information upon which the National Office can base collection policy and program considerations and recommends appropriate action with respect to problems encountered in observing and evaluating collection operations. He is also responsible for the year-round taxpayer assistance program.

1114.9 Assistant Regional Commissioner (Data Processing).

The Assistant Regional Commissioner (Data Processing) acts as the principal assistant to the Regional Commissioner in planning, coordinating and evaluating the returns processing, data processing, and revenue accounting activities under the jurisdiction of the Regional Commissioner to assure that policies and programs established by the National Office are timely and properly executed. He exercises line supervision over those activities at the Regional Office and functional supervision over those activities at the Internal Revenue Service Center and District Offices within the Region. He provides the Regional Commissioner and, through him, the National Office with evaluations, recommendations, and other information which are used as a means for determining the effectiveness of returns processing, data processing, and revenue accounting operations, policies, programs, procedures and standards.

1114.(10) Assistant Regional Commissioner (Intelligence).

The Assistant Regional Commissioner (Intelligence) acts as the principal assistant to the Regional Commissioner in

planning, coordinating and evaluating the intelligence activities of the Service under the jurisdiction of the Regional Commissioner to assure that policies and programs are properly executed, and that the intelligence work is processed in an orderly and timely manner. In conformity with intelligence policies, and programs established by the National Office, he develops regional programs, standards and other measures necessary to implement most effectively the intelligence program of the Service which includes the investigation of alleged tax fraud, certain other civil and alleged criminal violations of tax laws (except alcohol, tobacco and certain firearms tax cases), and such other special investigations as the Commissioner may direct. He provides the Regional Commissioner with results of evaluations and other information upon which to base his administration of the regional intelligence program and recommends improvements and adjustments in intelligence operations needed to bring about and sustain a high level of performance within the region. Under the Regional Commissioner he serves as the primary source of information to the National Office as to the effectiveness of intelligence policies, programs, procedures and standards in terms of regional and district requirements, provides reports and factual information upon which the National Office can base intelligence policy and program considerations and recommends appropriate action with respect to problems encountered in observing and evaluating intelligence operations. He supervises the review of special agents' reports of investigation submitted by the district offices in the region, approves or disapproves recommendations for prosecution, and provides for conferences when required with taxpayers, their representatives, representatives of the Regional Counsel and the Appellate Division relative to cases investigated.

1114.(10)1 Review and Conference Staff.

(1) The Review and Conference Staff plans and directs the critical review of district office reports pertaining to alleged criminal violations of the internal revenue laws, which contain recommendations for criminal prosecution and/or ad valorem penalties, to determine that the conclusions and recommendations are sound and conform to existing policies; and recommends to the Assistant Regional Commissioner (Intelligence) the action to be taken on each such report.

(2) The Staff post reviews selected non-prosecution case reports prepared at the district level and unnumbered case disposals to determine that an appropriate, uniform basis for disposal existed. Where deficiencies are disclosed through such activities, the staff suggests corrective measures.

(3) Through continuing analysis of district office reports the Staff provides the Assistant Regional Commissioner (Intelligence) with information which will assist him in evaluating investigative techniques employed and the extent procedural and technical uniformity in

the intelligence activity throughout the region.

(4) The Staff consults with and advises intelligence personnel at regional and district office locations on difficult and unusual issues, interpretations of regulations, rulings, tax laws and court decisions; also, as to the conduct of investigations, rules of evidence and Service policies. The Staff undertakes special assignments and investigations as directed by the Assistant Regional Commissioner (Intelligence).

1115 Office of Regional Inspector.

There are 7 Regional Inspectors, one in each internal revenue region. The Regional Inspector, who operates under the direct supervision of the Assistant Commissioner (Inspection), is responsible for the conduct throughout the region of both the internal audit and internal security programs.

1115.1 Assistant Regional Inspector (Internal Audit).

Under the supervision of the Regional Inspector, the Assistant Regional Inspector (Internal Audit) is responsible for the conduct of the internal audit program throughout the region. The internal audit, which includes verification of financial transactions and analyses of operating practices and procedures, serves as the basis for informing appropriate officials of the manner in which operations are being carried out and responsibilities are being discharged and as a basis for necessary changes in policies, practices and procedures.

1115.2 Assistant Regional Inspector (Internal Security).

The Assistant Regional Inspector (Internal Security) is responsible for the conduct of the internal security program throughout the region. The program, which provides a factual basis for conclusions by management, the Department of Justice or other authority for making decisions, includes personnel background investigations, investigations of complaints and allegations of misconduct or irregularities concerning Service employees and actions of non-Service persons that may affect the integrity of the Service, including attempts to bribe or otherwise corrupt Service personnel. The program also includes background investigations of certain applicants for enrollment to practice before the Internal Revenue Service, investigations of charges against tax practitioners, formal investigations of accidents involving Service employees or property, and investigations of alleged discrimination because of race, creed, color or national origin. In addition, he is responsible throughout the region for the conduct of special investigations, as directed by higher authority, for the Office of the Secretary and other components of the Treasury Department.

1116 Office of Regional Counsel.

(1) There are 7 Regional Counsels, one in each Internal Revenue region. The Regional Counsel, who operates under the Chief Counsel for the Internal Revenue Service, serves as the principal legal

advisor to the Regional Commissioner, the Regional Inspector, and the District Directors of Internal Revenue and their staffs. The Regional Counsel, subject to the Chief Counsel's continuing general supervision and review where appropriate or necessary, directs and supervises a staff of attorneys engaged in processing and handling cases docketed in the Tax Court of the United States and in furnishing legal advice and performing legal services connected with the tax court, enforcement, collection litigation and alcohol and tobacco tax functions.

(2) Tax Court Matters. The Regional Counsel's office furnishes legal advice to the Assistant Regional Commissioner (Appellate); in the name of the Chief Counsel, represents the Commissioner in the trial of cases before the Tax Court and is responsible for the preparation of pleadings, stipulations, and other documents to be filed with the Tax Court on behalf of the Commissioner prior to the entry of a decision by the Court; makes recommendations to the Chief Counsel respecting adverse Tax Court decisions; considers and approves or disapproves the settlement of cases docketed in the Tax Court, subject to the concurrence of Appellate while such cases are in pre-session status; considers and concurs in, or disapproves, recommendations by Appellate to eliminate the ad valorem fraud penalties in cases not docketed in the Tax Court; and considers and reviews, prior to issuance, statutory notices of deficiency or liability proposed by Appellate, and certain of such notices proposed by the District Directors.

(3) Enforcement Matters. The Regional Counsel's office is responsible for the performance of legal services in the field in connection with criminal cases arising under the internal revenue laws. The office reviews recommendations of prosecution in criminal cases received in the field, and prepares and refers such cases (other than Alcohol and tobacco tax cases) to the Department of Justice or, where authorized by the Department of Justice, directly to United States Attorneys, or, where prosecution is not deemed warranted, prepares criminal action memoranda setting forth the reasons against the prosecution and closes such cases with the concurrence of the Assistant Regional Commissioner (Intelligence). On request, the office furnishes aid and assistance to United States Attorneys in criminal tax proceedings in the United States District Courts and Courts of Appeal.

(4) Collection Litigation Matters. The Regional Counsel's office is responsible for handling legal work with respect to cases under the Bankruptcy Act and other insolvency cases including decedents' estate proceedings; Federal tax liens in suits for foreclosure by mortgagees or other lienholders and in suits to quiet title; applications filed for the discharge of property from Federal tax liens or for the release of such liens; for review and handling of certain offers in compromise; recommendations as to the taking of affirmative action, whether by way of a separate suit or intervention in pending proceedings (with the excep-

tion of alcohol, tobacco and firearms matters not relating to proceedings under the Bankruptcy Act, liens, receiverships and other insolvencies; the defense of injunction suits to restrain the assessment or collection of Federal taxes (except with respect to alcohol, tobacco and firearms matters); the assessment and collection of taxes; and of the civil enforcement of summonses.

(5) Alcohol and Tobacco Tax Matters. The Regional Counsel's office gives legal advice on request to the Assistant Regional Commissioner (Alcohol and Tobacco Tax) and to his staff on administration and enforcement of the laws and regulations pertaining to liquor, tobacco and firearms. The office reviews and makes recommendations, upon request, regarding claims for refund, abatement and drawback of liquor, tobacco and firearms taxes, and for damages, and with respect to petitions for mitigation or remission of forfeiture, offers in compromise, and proposed tax assessments. Upon request, the office assists United States Attorneys by preparing libels of information, indictments, briefs, stipulations and other legal documents required in litigation, and by aiding in the prosecution and defense of suits. The office also handles the legal work in connection with administrative proceedings involving the issuance, suspension, revocation or annulment of liquor and tobacco permits, including the preparation of the necessary orders, notices and pleadings and the presentation of the Government's case at both formal and informal hearings.

1117 Service Centers.

1117.1 General.

(1) There are 7 Internal Revenue Service Centers located at: Austin, Texas; Chamblee, Georgia; Cincinnati, Ohio; Kansas City, Missouri; Lawrence, Massachusetts; Ogden, Utah; and Philadelphia, Pennsylvania. Each Service Center is under the line supervision of the Regional Commissioner having jurisdiction over the area of their location. When fully operational, each Service Center will process tax documents within its Region's jurisdiction.

(2) Each Service Center is headed by a Director who operates under the general direction of a Regional Commissioner. The Service Center Director is responsible to the National Office, through the Regional Commissioner, for implementing the programs assigned to the Center. He is responsible for budget, fiscal, and personnel operations of the Center under directives of the Regional Commissioner. He also participates with the National Office, through the Regional Commissioner, in planning, coordinating, and evaluating experimental projects to develop improved techniques and methods for processing tax returns. The Regional Commissioner, in turn, is responsible to the National Office for supervising the execution of the Service Center's program and for recommending adjustments to or modifications of the program. The Regional Commissioner also exercises general supervision over the activities of the Service Center Director in coordinating and maintaining liaison

with Regional Commissioners, District Directors, and the National Office in carrying out the programs prescribed for the Centers by the National Office.

1117.2 Programs.

(1) The work programs performed in each Service Center are prescribed and assigned by the National Office.

(2) Programs assigned the Service Centers include the processing, analysis, and accounting control of income tax returns, estimated tax returns, wage and excise tax returns, farmers' gas tax refund claims, withholding tax documents, tax information documents, the mailing of income tax forms to taxpayers, the transcription of statistics information for the National Office Statistics Division, the preparation and certification of payrolls covering the salaries of employees throughout the Internal Revenue Service, and the preparation of special classification reports for the National Office Audit Division. These programs are not all-inclusive, and additional pilot studies and permanent assignments are made at the discretion of the National Office with a view of obtaining the benefits of data processing systems or mechanization in new work areas.

1117.3 District office-service center functions.

The district offices served by the centers receive the returns filed by the taxpayers, deposit all remittances, and settle all questions about the returns (including notices of change of address) before sending the returns to the centers for processing. They also endorse all notices of tax due issued by the center on which payment is made, and send them to the center for posting. The center, in turn, lists the returns on assessment lists, sends out even notices to taxpayers, prepares check-issue cards for the Regional Disbursing Office, sends out bills (first notices, on taxable-assessable and underpaid returns, prepares taxpayer delinquent account assemblies and unit ledger cards and turns over unpaid accounts to District Directors.

1117.4 Service Center organization (Non-ADP).

1117.41 General.

(1) The Kansas City, Lawrence, and Ogden Service Centers were formerly "Area" Service Centers serving several regions. Effective January 1, 1964, they began conversion to a regional service operation utilizing automatic data processing systems. During the conversion period they will continue to process tax documents for certain districts in other regions.

(2) The principal organizational components of the typical Service Center (not oriented to ADP systems) are the immediate office of the Director and the following divisions: Transcription and Document Processing, Accounting and Control, Data Processing, Fiscal Management Operations, and Administration.

1117.42 Transcription and Document Processing Division.

The transcription and Document Processing Division is responsible for the transcription portion (key punching) of

all work programs assigned the center. Examples of these programs include the transcription of income tax returns, farmers' gas tax refund claims, and the National Office payroll and fiscal reports program. In addition, this division is responsible for the manual processing of income information and tax documents programs; the sorting of mail address slips; the assembly and distribution of school teaching kits throughout the Nation; and such other programs as may be assigned which require manual processing. The work of the division is performed by the Review and Transcription Branch (key punching) and by the Document Processing Branch (manual processing).

1117.43 Accounting and Control Division.

The Accounting and Control Division is responsible for the review, inspection and placing under production control of returns and declarations preparatory to their processing in the Service Center; the sorting of returns into audit and statistical categories; the disposition of documents upon completion of Service Center processing; the conducting of "error inspection" activities involving the detailed examination of those returns and declarations which in the process of computation have been designated as possible error cases; the screening, perfection, and preparation of necessary correspondence with reference to the Farmers' Gas Tax Refund Program; implementation of the returns examination portion of the National Office Statistics Division Program; execution of the mail labeling portion of the Income Tax Forms Mailing Program; the establishment and maintenance of appropriate memorandum accounting controls reciprocal to general ledger accounts maintained by district offices served by the center; the establishment and maintenance of controls over all open accounts receivable up to and including taxpayer delinquent account status; the establishment of appropriate accounts covering refund disbursements; the balancing and reconciling of tabulated listings of registers and schedules prepared in the Data Processing Division; the certification of refund vouchers to the Regional Disbursing Office; the certification of assessment certificates for amounts of tax due and billed by the service center; the furnishing to district offices of appropriate journals and schedules of work processed for entry in general and subsidiary ledgers; the establishment, control, and balancing of estimated tax accounts and quarterly payments thereto throughout the tax year; and the preparation of required accounting reports. The work of the division is performed by the Documents Control and Analysis Branch and the Accounting Branch.

1117.44 Data Processing Division.

(1) The Data Processing Division is responsible for the mathematical verification and computation of tax and balance; preparation of assessment lists; identification of potential pre-refund audit returns; establishment through electronic or tabulating processes of tax accounts receivable and the maintenance

of such accounts, including trial balancing; issuance of bills and notices to individual income taxpayers, including those of delinquent accounts and delinquent returns; identification of overpaid returns; association of appropriate check-issue cards, and the preparation of related refund vouchers; pre-addressing and pre-punching blank income tax returns for mailing to individual taxpayers; establishment of index cards for individual taxpayers and their proper arrangement for use in district offices; development of basic statistical data for use on a national basis with respect to tax returns received and processed; computation and register listing of payrolls covering salaries of Internal Revenue Service employees; preparation of quarterly estimated tax bills and the recording of payments made on them; division participation in the production of reports; and the performance of machine applications required by other programs as assigned.

(2) The Division undertakes and evaluates experimental projects developed by the Office of the Director in conjunction with the Regional Office of jurisdiction and/or the National Office in an effort to improve or extend mass processing techniques. The work of the division is performed by the Electronic Computing Branch and the Recording Branch.

1117.45 Fiscal Management Operations Division.

Under the administrative direction of the Service Center Director, with line management and supervision administered through the Service Center Director by the Regional Commissioner, the Division is responsible for organizing, planning, and directing operations relating to the processing and analysis of personal services-resources, including financial payment and the preparation of budgetary, statistical and accounting reports for management uses in the National Office and in the Regional and District Offices serviced. Also responsible for ADP systems design, revision, modification and supplementation to meet program requirements as prescribed by the Fiscal Management Officer. Responsible for coordination of Service Center Fiscal Management Operations with the National Office, Regional Headquarters Office, and other Service Centers as applicable, as well as internal coordination within the Service Center. Responsible for systems development, redesign, and revision, as well as programming and program changes. Also responsible for scheduling and planning operations, and for programming and testing work on the computer. Utilizing electronic computing and tabulating equipment, the system provides accurate and timely payments for salary and related expenses, comprehensive accounting, budgetary and statistical reports, analyses of personnel data, and subsidiary records to the general ledger control accounts maintained as an integral part of the administrative accounting system. Responsible for the audit of records on which payments are based, as certified by designated employees and supervisors and supported by official personnel action documents.

Also responsible for initiating accounting, appropriation, and pay adjustments. Prepares and certifies vouchers for payment. Schedules and deposits repayments. Maintains detailed records of employees pay, allowances, deductions, and benefits. Responsible for internal controls over services performed by the Data Processing Division, for internal control over input and output, and for providing comprehensive audit trails including internal checks and balances. The Division consists of two branches: Program Operations Branch, and Systems and Planning Branch.

1117.46 Administration Division.

The Administration Division provides the personnel, training, budget and fiscal, procurement and supply, records and communications services, and other administrative services (within the limitations of the Service Center Director's delegated authority) necessary to the effective operation and management of the Service Center. It coordinates the Service Center management improvement and incentive awards programs and other special projects. The division is responsible for the recruitment and placement functions at the center and conducts the employee relations program. It participates in and coordinates the development of Service Center training programs to meet local training needs. It carries out the space program of the center and conducts periodic surveys to assure effective space utilization. It procures, requisitions, issues, and assures effective utilization of equipment, property and office supplies, and provides communications and duplicating services. It administers documents and property security, safety and records management programs in the center.

1117.5 Service Center Organization (ADP)

1117.51 General.

The principal organizational components of the typical Service Center (oriented to ADP systems) and the immediate office of the Service Center, Director, the Planning Staff, the Administration Division, Document Analysis and Control Division, Transcription Division, and Accounting and Data Processing Division.

1117.52 Office of the Director.

Within the structure of the Internal Revenue Service, the Service Center has organizational status comparable to that of the District Offices. It operates under the line supervision of the Service Center Director, who is responsible to the Regional Commissioner in the same manner as a District Director. The Director plans, directs, and administers functions of the Service Center which provides services for the Region. Its functions are to process tax returns and related documents through the use of automatic data and other high-speed processing devices and systems and to maintain accountability records for internal revenue taxes collected within the region. Typical programs include the processing, analysis and accounting control of income tax returns, estimated tax returns, wage and

excise tax returns, corporation tax returns, income information documents, mailing of income tax forms to individual taxpayers, transcription of statistical information for the National Office Audit and Statistics Divisions, etc. Responsible for budget, fiscal, and personnel operations of the Service Center. Plans and directs pilot studies and new assignments made by the National Office. Serves as advisor to the Regional and National Offices in planning, coordinating, and evaluating experimental projects to develop improved techniques and methods for processing work of the Internal Revenue Service.

1117.53 Planning Staff.

Plans, schedules, analyzes, and evaluates programs assigned or planned for the Service Center. Administers prescribed work planning and control system (including production control and performance evaluation) and quality control system. Plans, organizes, and coordinates the control of documents received from District Offices as they are processed through the Service Center. Conducts production analysis studies of programs in terms of quality, quantity and cost. Evaluates work measurement and cost ascertainment reports required by the Regional and National Offices. Develops information to support annual financial plan or special project financial plans.

1117.54 Administration Division.

The Administration Division provides the personnel, training, budget and fiscal, procurement and supply, records and communications services, and other administrative services (within the limitations of the Service Center Director's delegated authority) necessary to the effective operation and management of the Service Center. It coordinates the Service Center management improvement and incentive awards programs and other special projects. The division is responsible for the recruitment and placement functions at the Service Center, and conducts the employee relations program. It participates in and coordinates the development of Service Center training programs to meet local training needs. It carries out the space program of the Service Center and conducts periodic surveys to assure effective space utilization. It procures, requisitions, issues, and assures effective utilization of equipment, property and office supplies, and provides communications and duplicating services. It administers documents and property security, safety and records management programs in the Service Center.

1117.541 Personnel Branch.

Responsible for the evaluation, development, and execution of the Service Center personnel program and standards relating to recruitment and selection, employee relations, disciplinary actions, performance, evaluation, promotions, in-service placements, incentive awards, records, reports, and other aspects of a complete personnel program, within the framework of policies, programs and procedures established by the National Office. Conducts the position classifica-

tion program in the Service Center within delegated authority.

1117.542 Facilities Management Branch.

The Facilities Management Branch carries out administrative service activities including procurement and contracts; space, property and supply utilization; warehousing; records administration; physical and document security; safety; communication and duplicating services; mail services; forms management; and building and equipment maintenance and repair.

1117.543 Training Branch.

The Training Branch provides leadership and coordination to the Service Center training programs and evaluates and reports on all such programs. It coordinates the Service Center execution of nationwide, regional and local training programs; gives advice on all training programs conducted within the Service Center; and develops or assists in their development from the standpoint of training techniques.

1117.55 Document Analysis and Control Division.

The Document Analysis and Control Division receives, blocks, sorts, and controls documents received from District Offices; examines, perfects, and codes documents for transcription purposes; classifies documents into audit and statistical categories; researches, perfects, and resolves processing or taxpayer generated errors detected during the working cycle within the Service Center or National Computer Center; examines and codes documents for the National Office Statistics Division; processes and mails forms, notices, registers, reports, etc. to taxpayers and District, Regional, and National Offices; and disposes of documents upon completion of Service Center processing. Responsible for the storage of those tax returns which are scheduled for retention in the Service Center. Also responsible for forwarding returns to requesting offices within the IRS.

1117.551 Document Analysis Branch.

Plans, organizes and directs the examining, perfecting, and coding of tax documents for transcription purposes; the initiation of required correspondence for mailing to district offices and taxpayers (to resolve discrepancies and to assure that correct postings are made to taxpayer master files); and the editing, coding and extraction of information from returns for audit and statistical programs.

1117.552 Error Resolution Branch.

Performs research, perfects, and resolves processing or taxpayer generated errors detected during the working cycle within the Service Center or National Computer Center.

1117.553 Control and Services Branch.

Receives, screens, blocks and batches all work received; establishes control of returns and other documents; releases documents into the initial work processes in accordance with work schedules; under coordination of the Planning Staff makes necessary adjustments as dictated

by actual pattern of receipt of work to maintain a steady balanced work flow which will meet the various Service Center deadlines. Performs any folding, labeling, inserting or other machine operations required in Service Center programs; prepares tax returns, forms, tapes, printouts, etc. for mailing to National Computer Center, District Offices, Taxpayers, Social Security Administration and Federal Reserve Banks; ships processed documents to District Offices; and compiles all production and work measurement reports for the Center from information furnished by other organizational entities. Responsible for the storage of those tax returns which are scheduled for retention in the Service Center. Also responsible for forwarding returns to requesting offices within the IRS. Initiates correspondence for perfecting master file returns during processing.

1117.56 Transcription Division.

The Transcription Division, by means of electric key punch and key verifier machines is responsible for: transcription of pertinent information from tax returns; transcription of data to process feedback information, documents, correspondence, and forms to District Offices and taxpayers; transcription of production and cost record data for the tabulation and compilation of reports; transcription of data for accounting purposes; transcription of data for use in programs in the areas of administration, audit, statistics, fiscal, intelligence, etc.; and the transcription of such other projects or programs as assigned or authorized by the National Office.

1117.561 Transcription Branches.

(1) Branch A: Responsible for the transcription and key verification of pertinent information from all BMF tax returns, and some IMF tax returns as specified in the functional statements below. Responsible for processing documents related to BMF and IMF subsequent activity programs. Responsible for processing returns which have been previously transcribed but for which error conditions have been detected in subsequent processing.

(2) Branch B: Responsible for the transcription and key verification of pertinent information from IMF tax returns.

1117.57 Accounting and Data Processing Division.

Plans and directs the operation of a digital computer system used in processing, verifying, and computing the tax liabilities of taxpayers in all districts within the region; the processing of tax information and documents for mailing to taxpayers and for internal use by the Service; the generation of reports, statistical information, and other information for use by the National, Regional, and District Offices, other program areas of the Service, and by the various States within the region; the processing and balancing of tax data forwarded to and received from the National Computer Center; and the processing of other programs assigned by the National Office. Programs projects as assigned by the National Office, and provides maintenance

programming as necessary. Directs the maintenance of an accounting system to provide subsidiary records and general ledger accounts to reflect the Director's accountability for the tax revenue collected within the region; the recording of assessments, collections, receivables, refunds, overassessments, and other elements of revenue accounting affecting accountability; to control all accounting documents; to receive, verify, balance, and process accounting outputs from the National Computer Center; and to prepare special and periodic accounting reports. Responsible for the preparation of tax adjustments to master file returns.

1117.571 Accounting Branch.

Plans, coordinates, organizes, and directs the maintenance of subsidiary records and general ledger accounts covering revenue transactions to provide for the recording of assessments, collections, receivables, refunds, overassessments and other elements of revenue accounting affecting taxpayers' master accounts; controls accounting documents received from district offices for entry to master file; receives, initiates, controls and processes MF accounting transactions involving district offices outside this region; receives and controls MF accounting outputs from Computer Center such as settlement registers and accomplishes required journalization and general ledger positions; initiates or processes account transfers, account adjustments, debit or credit transfers, statutory clearances, etc. related to MF accounts; verifies Computer Center accounting outputs against general ledger balances; receives settlements and other adjustments generated by Computer Center and processes into general ledger account; balances MF accounts with general ledger maintained in the Center; reconciles accounts with regional disbursing office; prepares periodic trial balances; prepares Statement of Accountability for the Service Center Director and Statement of Classified Collections; and prepares special and periodic financial reports covering deposits and collection data for transmittal to the National, Regional and District Offices. Plans and directs the tax adjustment work which has been centralized in the Service Center.

1117.572 Data Processing Branch.

The Data Processing Branch is responsible for the operation of a digital computer system used in processing, verifying, and computing the tax liabilities of taxpayers in all districts within the region; processing tax information and documents for mailing to taxpayers and for internal use by the Service; generating reports, statistical information, and other information for use by the National, Regional, and District Offices, other program areas of the Service, and by various States within the region; processing and balancing tax data forwarded and received from the National Computer Center; and processing other programs assigned by the National Office. Provides programming services as required in the maintenance of the system or as directed by the National Office.

1118 Office of District Director.**1118.1 Mission.**

The mission of the office of the District Director is to administer the internal revenue laws within an internal revenue district in conformance with Service policies and programs of the National and regional offices.

1118.2 Basic organization.

The principal organizational components of the typical district office are the immediate office of the District Director, the Audit Division, Collection Division, Intelligence Division and Administration Division.

1118.3 District Director.

The District Director administers, within an internal revenue district, the collection, audit, intelligence and administrative programs of the Internal Revenue Service. He is responsible for the determination of tax liability, the assessment of such liability, and scheduling and certification of refunds, and the investigation of certain criminal and civil violations of internal revenue tax laws (except those relating to alcohol, tobacco and firearms). He is also responsible for the collection and deposit of all internal revenue taxes.

1118.4 Audit Division.

(1) Administers a district-wide audit program involving the selection and examination of all types of Federal tax returns (except those involving alcohol, tobacco, and firearms taxes), claims, offers in compromise, informants' claims for reward, and related activities, including the examination and approval of pension trust plans and the issuance of determination letters. The audit program involves the selective classification of returns for field and office audit, the conduct of District conferences in unagreed cases, participation with special agents of the Intelligence Division in the conduct of tax fraud investigations, and provision of technical support to the year-round taxpayer assistance program.

(2) The Division structure conforms to one of three established patterns, depending upon size of the district office. These patterns all recognize six distinct groups of functions which are known as: Returns Classification, District Conference, Review, Field Audit, Office Audit, and Service. In small district offices the branch supervisory structure does not exist, while in large offices there may be more than one Field Audit Branch. In the Central Region the review functions are centralized in the regional office. Each district Audit Division in that region has a Technical Branch in lieu of the Conference Staff and the Review Staff.

1118.41 Conference Staff.

Directs and performs the District conference function. This includes issuing conference invitation letters in unagreed cases, holding conferences with taxpayers and their representatives, and preparing conference reports. Also screens taxpayer protests and acts as technical advisor to Chief, Audit Division.

1118.42 Review Staff.

Reviews reports of examination of all types of tax returns to verify the determination of liability made by the examining officer. Directs the issuance of preliminary notices of deficiency to taxpayers, reviews protests filed in response to such notices, and prepares statutory notices of deficiency. Prepares closing letters and releases in estate and gift tax cases, furnishes technical advice and assistance on pension trust plans, and prepares determination letters. Is responsible for the control, management and review of offers in compromise, informants' claims for reward and the special procedures applicable in cases involving renegotiation. Prepares Management Information Reports for both agreed and unagreed cases. Has primary responsibility within the district for maintaining quality standards in examinations and reports, and the technical accuracy of all matters subject to review. Issues correction memorandums in all cases or matters involving substantial errors.

1118.43 Returns Classifying Officer.

Develops and administers district program for selecting all types of returns for examination. Conducts special studies to identify noncompliance problem areas and recommends audit programs to cope with them.

1118.44 Field Audit Branch.

Conducts field examinations relative to all types of taxes (except alcohol, tobacco, and firearms) to determine correct liabilities of taxpayers for tax and penalties, including the examination of claims for refund, credit or abatement, or for redemption of stamps. Also conducts field examinations of offers in compromise based on either doubt as to liability or inability to pay, and special field examinations, as requested, including joint examinations with special agents of Intelligence Division where tax evasion may exist. Processes informants' claims for reward making any necessary investigations and prepares reports on such claims, together with recommendations as to the amount of rewards. Performs engineering and valuation work, prepares memorandums to accompany closing agreements, and recommends jeopardy assessments. Provides technical support to the year-round taxpayer assistance program.

1118.45 Office Audit Branch.

Conducts examinations through correspondence or interviews with taxpayers in office of the Service relative to all types of taxes (except alcohol, tobacco and firearms) to determine correct liability of taxpayers for tax and penalties, and the validity of claims for refund, credit, or abatement, or for redemption of stamps. Processes applications for exemption from collecting admissions tax. Recommends jeopardy assessments. Provides technical support to the year-round taxpayer assistance program.

1118.46 Service Branch.

Performs clerical services for the Division necessary to the processing of re-

turns, reports of examination, case files and correspondence. Maintains control of all returns and case files assigned to the Audit Division and of number assignments for Management Information Reports on audit cases. Types examining officers' reports, form letters, correspondence and other material as assigned and furnishes clerical, stenographic and typing assistance to all Division offices.

1118.47 Technical Branch.

(1) The Technical Branch directs the issuance of preliminary notices of deficiency to taxpayers, prepares Form 7900 letters to taxpayers covering deficiencies in bankruptcy and receivership cases, which serve as a basis for assessment and filing of proof of claim by the Collection Division; reviews protests filed in response to notices of deficiency and Form 7900 letters for proper form, compliance with existing requirements and for new issues or facts; and prepares statutory notices of deficiency.

(2) The Branch is responsible for the control, management and review of offers in compromise, informants' claims for reward, cases in which expiration of the statute of limitations is imminent and assessment, overassessment or statutory notice action is necessary prior to forwarding to the Assistant Regional Commissioner (Audit) for review, and the special procedures applicable in cases involving renegotiation. It maintains and controls the preliminary notice file, the statutory notice file, the file on cases suspended pending court or other decision (Form 1254), power of attorney file, fee statement file, and worthless stock and taxability of dividend file, taking appropriate action as required. The Branch is responsible for the District conference functions, which include the review of Forms 2808, preparation of conference invitation letters, assignment of conferees to handle the case, the holding of the conference, the manner in which conferences are conducted, the quality of the conference reports and the statistical reporting of the conferences. The Chief of the Technical Branch acts as Technical Advisor to the Chief of the Audit Division on cases under investigation or assigned for District conferences.

1118.5 Collection Division.

(1) The Collection Division is responsible for the receipt and processing of tax returns and related documents filed with the district; the deposit of and accounting for tax remittances; making determinations with respect to tax refunds, credits, penalties, abatements or over-assessments; maintaining prescribed accounting and ledger controls including control of the refund appropriation account; the performance of all collection activity as relates to the sale and accounting for revenue stamps; the collection of delinquent accounts through distraint, seizure, levy and other means; the securing of delinquent returns; and the conduct of a year-round taxpayer assistance program.

(2) The organization of the Collection Division varies in its branches based on the size of the district. The basic or

large district organization has four branches: Returns and Receipts, Revenue Accounting, Taxpayer Service, and Delinquent Accounts and Returns. The organization for medium districts has three branches: Returns and Receipts, Taxpayer Service and Accounts, and Delinquent Accounts and Returns. The organization for small districts has two branches: Office Branch, and the Delinquent Accounts and Returns Branch. The basic or large district organization is set forth below. A more detailed description of the district organization and functions for the 2100 Activity is contained in the handbook, "Organizational Guidelines 2100 Activity," Subsection 1191 of the Manual.

1118.51 Returns and Receipts Branch.

(1) The Returns and Receipts Branch is responsible for the receipt, categorical classification and internal routing of all tax returns, remittances, correspondence and other documents received by the District Office. It sorts, examines, verifies and reconciles tax returns, forms, schedules and other types of supporting tax and information documents for correctness; matches prepayment credits and associates supporting information documents with tax returns in preparation for audit; computes or verifies tax on all wage and excise tax returns, estate and gift and corporation income tax returns; makes certain penalty determinations; numbers all nonremittance returns; and prepares, transmits and controls shipment of returns and documents to and from the Service Center and the Social Security Administration.

(2) The Branch is responsible for the examination of all tax returns and documents received with remittance and for the determination of acceptability of remittances for deposit. It classifies returns and documents by prescribed classification and initially accounts for all remittances by class of tax; maintains required records and effects prescribed balancing of all recorded entries; takes required action to make daily deposits in designated depository bank; and numbers all remittance returns. It coordinates cashier receipts and deposits activities with accounting and processing operations; initiates pre-deposit search on all remittances received without returns or identifying documents; and receives returned remittances from depository bank and attempts to make collection from taxpayer; prepares necessary debit vouchers, posting vouchers and maintains pertinent records. The Branch is responsible for requisitioning, issuance and control of internal revenue stamps, Revenue Officers' receipt books, and other receipts for payment of internal revenue taxes. It handles and maintains collateral agreement records and related securities. The Branch has line responsibility for all teller activities in the same location as the Returns and Receipts Branch and functional responsibility for all other teller activities.

1118.52 Revenue Accounting Branch.

(1) The Revenue Accounting Branch performs all revenue accounting activities with respect to determining and recording of payments and adjustments to tax-

payers' accounts and establishes and maintains all prescribed accounting control records, posting media and related accounting records. It is responsible for the mechanical listing (or scheduling) of all returns filed; and for the posting of debits and credits to taxpayer accounts and balancing of ledgers to sectional controls. It classifies and records all tax payments received without appropriate identification and searches records to identify same; issues all tax bills, notices and taxpayer delinquent accounts; prepares required vouchers to effect adjustments involving payments, debits or credits to taxpayers' accounts and prepares abatement vouchers on duplicate assessments; maintains all account card files on a current posting basis; maintains all required sectional and general ledger controls in connection with revenue accounting operations; makes reconciliations of ledger controls with prescribed sectional controls and takes appropriate action to ascertain source of discrepancies and make necessary corrections in records; and prepares and submits all accounting and ledger reports as required.

(2) The Branch makes final determination of tentative carry-back adjustments; prepares necessary schedules and vouchers in connection with the refunding appropriation; computes general and restricted interest; maintains files of refund and credit schedules; prepares certificates of over-assessment; prepares appropriate over-assessment schedules for refund, credit or abatement; and computes or verifies tax on certain tax returns.

1118.53 Taxpayer Service Branch.

(1) The taxpayer Service Branch is responsible for taxpayer contact by telephone, mail or personal call; adjustments on tax returns; preparation of replies to correspondence; informal conferences relative to tax adjustments; and conduct of year-round taxpayer assistance within headquarters office.

(2) The Branch establishes and maintains all tax returns files and index card files and furnishes information from the files as requested. It maintains addressograph files and plates and performs all addressograph services; maintains and distributes adequate supplies of various types of income tax forms, returns, and all processing forms; addresses, stuffs and mails copies of blank tax forms, tax notice forms and other documents and forms, except those handled by Service Centers. Photostats all tax forms, returns and other documents, as required; assigns and controls all employers' identification numbers; receives, analyzes, classifies, controls, routes, performs research and makes reply to various routine types of correspondence on collection matters which can be serviced at a centralized point; prepares various documents for transmittal to the Federal Records Center, Service Center, Statistics Division and other (associate) Government agencies, as necessary; coordinates Collection activities with Administration, Audit, Intelligence, Appellate, Statistics, Federal Records Center and Service Centers relative to returns' disposition, classification, statistics and processing. The

Branch is responsible for furnishing advice and testimony concerning filing, processing, coding and related markings on all returns and documents.

1118.54 Delinquent Accounts and Returns Branch.

(1) The Delinquent Accounts and Returns Branch makes collections of delinquent accounts and conducts a continuing program for the securing of delinquent returns. The Branch safeguards the Government's interests through the filing of notices of tax liens, and enforces collection by the serving of levies, and seizure and sale of real personal property. It recommends jeopardy assessment when deemed necessary to protect revenue, civil actions to secure payment, suits to enforce penalty for failure to honor levies, and penalty assessments as a means of collection or as a method of obtaining compliance with existing laws and regulations. The Branch recommends the issuance of certificates of discharge of property from the effects of tax liens and conducts the investigations necessary to support such recommendations.

(2) The Branch receives, acts on, and processes information pertinent to bankruptcies, receiverships, assignments, reorganizations, probate proceedings, bulk sales, gifts and prizes, and dissolutions and initiates investigations for securing delinquent returns where necessary. It canvasses the district for delinquent returns and serves summonses on taxpayers to produce books, documents, returns or other information where necessary to secure compliance with the requirements for filing returns. The Branch maintains control of payments received in insolvency, bankruptcy, and decedent cases and of surety bonds and other collateral posted as security for tax liability. It also maintains files and control records of property seized under distraint authority and takes appropriate action with respect to seized property to assure that proper legal action may be timely taken. The Branch has line responsibility for all teller activities in a location different from that of the Returns and Receipts Branch. The Branch is responsible for year-round taxpayer assistance in local offices.

1118.6 Intelligence Division.

The Intelligence Division enforces the criminal statutes applicable to income, estate, gift, employment, and excise tax laws (except those relating to alcohol, tobacco, narcotics and certain firearms), by developing information concerning alleged criminal violations thereof, evaluating allegations and indications of such violations to determine investigations to be undertaken, investigating suspected criminal violations of such laws, recommending prosecution when warranted, and measuring effectiveness of the investigation and prosecution processes. The Division assists other Intelligence offices in special inquiries, drives and compliance programs and in the normal enforcement programs, including those combating organized wagering, racketeering and other illegal activity, by providing investigative resources upon regional or National Office

request. It also assists U.S. Attorneys and Regional Counsel in the processing of intelligence cases, including the preparation for and trial of cases.

1118.7 Administration Division.

The Administration Division provides the personnel, training, budget and fiscal, procurement and supply, records, and communications services and other administrative services, within the limitations of the District Director's delegated authority, necessary to the effective operation and management of the district office. It coordinates the district office management improvement, reports management, and incentive awards programs and other special projects. The Administration Division consists of three branches where size of the district office warrants such a breakdown: Facilities Management Branch, Personnel Branch, and Training Branch.

1118.71 Facilities Management Branch.

The Facilities Management Branch provides essential facilities and services necessary to the efficient operation of the district office. The Branch carries out the space programs of the District Director and conducts periodic surveys to assure effective space utilization. It procures, requisitions, issues, and assures effective utilization of equipment, property and office supplies; maintains records on all equipment and property located within the district; and provides communications, duplicating paperwork management, and internal management document distribution services. The Branch also furnishes data necessary for the preparation of that portion of the district office budget estimates and financial plans which is concerned with funds required for materials and facilities in the district. As required for district management control, it maintains blotter type records of fund commitments for materials and facilities (object classes 22, 23, 24, 25, 26, and 31 as defined in Bureau of the Budget Circular A-12). It administers documents and property security, emergency planning for civil defense, and the safety programs in the district.

1118.72 Personnel Branch.

The Personnel Branch performs the recruitment and placement functions at the district level, and conducts the district's employee relations program and incentive awards program. It processes personnel action documents in accordance with prescribed procedure and maintains all district personnel records.

1118.73 Training Branch.

The Training Branch provides leadership and coordination to the district training program. It coordinates the district execution of training programs; gives advice on all training programs conducted in the district office, and assists in their development from the standpoint of training techniques. It participates in and coordinates the development of district training programs to meet local training needs that cut across organizational lines. In addition,

it evaluates and reports on all district training programs.

1118.8 Offices below the District Headquarters.

(1) Offices below the district headquarters (Area, Zone, and Local offices as defined below) perform one or more of certain Collection, Audit, and Intelligence functions such as: The collection of delinquent accounts and the securing of delinquent returns, the receiving and deposit of monies tendered in payment of taxes; the examination of returns to determine correct liability of taxpayers for tax and penalties; the holding of conferences with taxpayers and their representatives regarding the determination of liability for tax and penalties; and the investigation of alleged criminal violation of the tax statutes. They also contain, to a limited extent, other functions such as taxpayer assistance and administrative support.

(2) Offices below the district headquarters are classified according to these types:

(a) *Area office.* An Area office is a major subdivision of the district office and usually contains all of its principal functional elements including one or more groups of Revenue Agents, one or more groups of Revenue Officers, an Office Collection Force group, and a Teller. Generally, it also contains one or more Special Agents.

(b) *Zone office.* A Zone office is an intermediate size office which includes one or more groups of Revenue Agents or one or more groups of Revenue Officers. Generally, it also contains one or more Special Agents. Usually it does not have a Teller and if it has OCF personnel, they are supervised from some other office.

(c) *Local office.* All other offices below the district headquarters are classified as Local offices. Primarily, these are small posts of duty where the workload does not warrant the stationing of Revenue Agents and Revenue Officers in group strength.

(3) Program planning and functional supervision for personnel of an Area, Zone, or Local office are the responsibilities of the appropriate divisions of the district office. However, administrative supervision of such an office may be assigned to an individual upon a determination by the District Director that such a position is needed in order to represent all IRS functions to the public, to coordinate functions, and to provide common administrative services. This position is to be assigned as an additional responsibility to one of the regular functional personnel of the office, usually the ranking or senior officer. Each person assigned this additional responsibility will be designated as the "(inserting name of city) representative" of the District Director.

(4) Generally, offices below the district headquarters do not contain Branch Chiefs or full-time Collection Managers in any of the functional activities. However, if the workload of an office (includ-

ing nearby offices supervised by such office) is sufficient to justify five or more Audit groups, the District Director may determine that the needs for local supervision warrant the stationing of an Audit Branch Chief in the office. Similarly, if the workload justifies five or more Revenue Officer groups (counting less than ten OCF as the equivalent of a group; or ten or more OCF as two groups), the District Director may establish a full-time Collection Manager (who supervises only Group Supervisors, as distinguished from other Collection Managers who also directly supervise Revenue Officers). Recommendations for establishing such positions shall be forwarded to the Regional Commissioner for approval in accordance with regular procedures for effecting changes in organization.

(5) When the personnel of an office below the district headquarters are supervised by Group Supervisors, Branch Chiefs, or Collection Managers in a different location, all of the functions in such offices will generally receive line supervision from the same city in order to foster functional coordination and efficient utilization of clerical and other manpower. However, when the District Director finds that the best interests of the Service require a different arrangement, he is authorized to make an exception. Exceptions may be particularly needed for those activities, such as Intelligence, which are more thinly represented than the Audit and Collection functions; and for specialists, such as those trained in estate, gift, and excise tax work.

APPENDIX A

INTERNAL REVENUE REGIONAL OFFICES

San Francisco, Calif., Flood Building, 870 Market Street.
Atlanta, Ga., Federal Office Building, 275 Peachtree Street NE.
Chicago, Ill., 35 East Wacker Drive Building, 35 East Wacker Drive.
New York, N.Y., Federal Office Building, 90 Church Street.
Cincinnati, Ohio, Federal Office Building, 550 Main Street.
Philadelphia, Pa., 2 Penn Center Plaza Building, 2 Penn Center Plaza.
Dallas, Tex., Federal Office Building, 1114 Commerce Street.

APPENDIX B

ALCOHOL AND TOBACCO TAX BRANCH OFFICES

Birmingham, Ala., 2121 Building, 2121 Eighth Avenue, North.
Little Rock, Ark., Federal Office Building, 700 West Capitol Street.
Los Angeles, Calif., Subway Terminal Building, 417 South Hill Street.
San Francisco, Calif., Federal Building, 450 Golden Gate Avenue.
Jacksonville, Fla., New Post Office Building.
Atlanta, Ga., 67 Peachtree Park Drive NE.
Honolulu, Hawaii, Alexander Young Building, 1015 Bishop Street.
Chicago, Ill., 35 East Wacker Drive.
Louisville, Ky., Federal Building, Sixth and Broadway.
Baltimore, Md., 707 North Calvert Street.
Boston, Mass., 55 Tremont Street.
Detroit, Mich., 461 Federal Building.
St. Paul, Minn., Main Post Office, 180 East Kellogg Boulevard.
Jackson, Miss., Milner Building, Lamar and Pearl Streets.
St. Louis, Mo., Federal Building, 208 North Broadway.

Omaha, Nebr., Post Office and Courthouse Building.
 Newark, N.J., Industrial Office Building, 1060 Broad Street.
 Buffalo, N.Y., U.S. Courthouse, Niagara Square.
 New York, N.Y., 641 Washington Street.
 Charlotte, N.C., 316 East Morehead Street.
 Cincinnati, Ohio, Federal Office Building, 550 Main Street.
 Oklahoma City, Okla., 200 Northwest Fourth Street.
 Philadelphia, Pa., U.S. Customhouse, Second and Chestnut Streets.
 Pittsburgh, Pa., Victory Building, 212 Ninth Street.
 San Juan, P.R., Post Office and Customhouse Building.
 Columbia, S.C., Federal Office Building, 901 Sumter Street.
 Nashville, Tenn., U.S. Courthouse, 801 Broad Street.
 Dallas, Tex., Wholesale Merchants Building, 912 Commerce Street.
 Richmond, Va., Federal Building, North Eighth Street.
 Seattle, Wash., U.S. Courthouse, Sixth and Madison Streets.
 Charleston, W. Va., Federal Building, 500 Quarrier Street.
 Milwaukee, Wis., Brundage Building, 135 West Wells Street.

APPENDIX C

APPELLATE BRANCH OFFICES

Birmingham, Ala., 2121 Building, 2121 Eighth Avenue, North.
 Phoenix, Ariz., Federal Building, 230 North First Avenue.
 Los Angeles, Calif., Subway Terminal Building, 417 South Hill Street.
 San Francisco, Calif., 447 Sutter Street.
 Denver, Colo., Federal Building.
 New Haven, Conn., 1221 Chapel Street.
 Jacksonville, Fla., Post Office and Courthouse Building.
 Miami, Fla., 51 Southwest First Avenue.
 Atlanta, Ga., Federal Office Building, 275 Peachtree Street NE.
 Chicago, Ill., 35 East Wacker Drive.
 Springfield, Ill., Land of Lincoln Building, 325 West Adams Street.
 Indianapolis, Ind., Guaranty Building.
 Wichita, Kan., Insurance Building, 212 North Market Street.
 Louisville, Ky., Federal Building.
 New Orleans, La., Federal Office Building, 600 South Street.
 Baltimore, Md., 707 North Calvert Street.
 Boston, Mass., 114 Federal Street.
 Detroit, Mich., Cadillac Tower Building, 85 Cadillac Square.
 St. Paul, Minn., First National Bank Building, 332 Minnesota Street.
 Kansas City, Mo., Federal Office Building, 911 Walnut Street.
 St. Louis, Mo., U.S. Court and Customhouse, 1114 Market Street.
 Omaha, Nebr., New Federal Building, 215 North 17th Street.
 Newark, N.J., 251 Plane Street.
 Buffalo, N.Y., U.S. Courthouse, Niagara Square.
 New York, N.Y., Federal Office Building, 90 Church Street.
 Greensboro, N.C., 338 North Elm Street.
 Cincinnati, Ohio, Federal Office Building, 550 Main Street.
 Cleveland, Ohio, Federal Reserve Bank Building.
 Oklahoma City, Okla., Courthouse and Federal Office Building, 200 Northwest Fourth Street.
 Portland, Oreg., 921 Southwest Washington Street.
 Philadelphia, Pa., 2 Penn Center Plaza.
 Pittsburgh, Pa., Clark Building, Seventh and Liberty Avenue.
 Nashville, Tenn., New U.S. Courthouse Building, 801 Broadway.
 Dallas, Tex., 1025 Elm Street.

Houston, Tex., Federal Building, 515 Rusk Avenue.
 Salt Lake City, Utah, New Federal Building, 125 South State Street.
 Richmond, Va., 400 North Eighth Street.
 Washington, D.C., 1875 Connecticut Avenue NW.
 Seattle, Wash., Sixth and Lenora Building.
 Huntington, W. Va., Post Office Building, Ninth Street and Fifth Avenue.
 Milwaukee, Wis., Towne Building, 730 East Michigan Street.

APPENDIX D

INTERNAL REVENUE SERVICE CENTERS

Chamblee, Ga., 4800 Buford Highway.
 Lawrence, Mass., Arlington Mills, Building No. 6, 7 Lake Street.
 Kansas City, Mo., Federal Building, 2306 East Bannister Street.
 Cincinnati, Ohio, Alms and Doepeke Building, 222 East Central Parkway.
 Philadelphia, Pa., 11601 Roosevelt Boulevard.
 Austin, Tex., 3651 South Interregional Highway.
 Ogden, Utah, Defense Depot Ogden, Buildings 2-B and 3-B.

APPENDIX E

INTERNAL REVENUE DISTRICT OFFICES

Birmingham, Ala., 2121 Building, 2121 Eighth Avenue, North.
 Anchorage, Alaska, Mutual Savings Bank Building, 540 Fifth Avenue.
 Phoenix, Ariz., Federal Building, 230 North First Avenue.
 Little Rock, Ark., Federal Office Building, 700 Capitol Avenue, West.
 Los Angeles, Calif., Post Office and Courthouse Building, 312 North Spring Street.
 San Francisco, Calif., Federal Building, 450 Golden Gate Avenue.
 Denver, Colo., New Customhouse Building, 19th and Stout Streets.
 Hartford, Conn., Federal Office Building, 450 Main Street.
 Wilmington, Del., 330 East 30th Street SE.
 Jacksonville, Fla., Universal Marion Building, 21 West Church Street.
 Atlanta, Ga., Federal Office Building, 275 Peachtree Street NE.
 Honolulu, Hawaii, Federal Building, 335 King Street, South.
 Boise, Idaho, Broadway Holding Company Building, 914 Jefferson Street.
 Chicago, Ill., State-Madison Building, 22 West Madison Street.
 Springfield, Ill., Land of Lincoln Building, 325 West Adams Street.
 Indianapolis, Ind., Post Office and Courthouse Building, Meridian and Ohio Streets.
 Des Moines, Iowa, Courthouse Building, East First and Walnut Streets.
 Wichita, Kans., Federal Building, 412 South Main Street.
 Louisville, Ky., Federal Building, Broadway at Sixth Street.
 New Orleans, La., Federal Office Building, 600 South Street.
 Augusta, Maine, Internal Revenue Service Building, 221 State Street.
 Baltimore, Md., The 707 Building, 707 North Calvert Street.
 Boston, Mass., 174 Ipswich Street.
 Detroit, Mich., Federal Building, 231 West Lafayette Street.
 St. Paul, Minn., Post Office and Customhouse Building, 180 East Kellogg Boulevard.
 Jackson, Miss., 301 Building, 301 North Lamar Street.
 St. Louis, Mo., Court and Customhouse Building, 1114 Market Street.
 Helena, Mont., Post Office and Courthouse Building, West Sixth Street and Park Avenue.
 Omaha, Nebr., Federal Office Building, 15th and Dodge Streets.
 Reno, Nev., Federal Building, U.S. Courthouse, Booth and Woodruff Streets.
 Portsmouth, N.H., 600 State Street.
 Newark, N.J., Industrial Office Building, 1060 Broad Street.

Albuquerque, N. Mex., Federal Office Building, 517 Gold Avenue SW.
 Albany, N.Y., Internal Revenue Service Building, 161 Washington Avenue.
 Brooklyn, N.Y., Federal Office Building, 35 Tillary Street.
 Buffalo, N.Y., Edwards Building, 266-294 Pearl Street.
 New York, N.Y., 120 Church Street.
 Greensboro, N.C., Federal Office Building, 320 South Ashe Street.
 Fargo, N. Dak., Manchester Building, 112 North University Drive.
 Cincinnati, Ohio, Federal Office Building, 550 Main Street.
 Cleveland, Ohio, Mott Building, 220 St. Clair Avenue NW.
 Oklahoma City, Okla., Courthouse and Federal Office Building, 200 Northwest Fourth Street.
 Portland, Oreg., 830 Building, 830 Northeast Holladay Street.
 Philadelphia, Pa., Terminal Commerce Building, 401 North Broad Street.
 Pittsburgh, Pa., New Federal Building, 1000 Liberty Avenue.
 Providence, R.I., Co-Op Building, 544 Elmwood Avenue.
 Columbia, S.C., Federal Office Building, 901 Sumter Street.
 Aberdeen, S. Dak., Executive Building, 640 Ninth Avenue SW.
 Nashville, Tenn., Federal Office Building, Eighth Avenue and Broad Street.
 Austin, Tex., Federal Office Building, 300 East Eighth Street.
 Dallas, Tex., 1600 Patterson Street.
 Salt Lake City, Utah, Post Office and Courthouse Building, 350 South Main Street.
 Burlington, Vt., Federal Building, 11 Elmwood Avenue.
 Richmond, Va., Federal Office Building, 400 North Eighth Street.
 Seattle, Wash., Sixth and Lenora Building, 2033 Sixth Avenue.
 Parkersburg, W. Va., Federal Office Building, 425 Juliana Street.
 Milwaukee, Wis., Federal Building, 517 East Wisconsin Avenue.
 Cheyenne, Wyo., Federal Office Building, 21st and Carey Avenue.

APPENDIX F

REGIONAL INSPECTORS' OFFICES

San Francisco, Calif., U.S. Post Office Building, 1076 Mission Street.
 Atlanta, Ga., Federal Office Building, 275 Peachtree Street NE.
 Chicago, Ill., 35 East Wacker Drive.
 New York, N.Y., 50 Church Street.
 Cincinnati, Ohio, Federal Office Building, 550 Main Street.
 Philadelphia, Pa., Bankers Securities Building, Walnut and Juniper Streets.
 Dallas, Tex., Fidelity Union Life Building, 1511 Bryan Street.

APPENDIX G

REGIONAL COUNSEL OFFICES

Birmingham, Ala., 2121 Eighth Avenue, North Building.
 Los Angeles, Calif., Subway Terminal Building, 417 South Hill Street.
 San Francisco, Calif., 447 Sutter Street.
 Denver, Colo., 1951 Stout Street.
 Jacksonville, Fla., Post Office Building.
 Miami, Fla., Federal Office Building, 51 South West First Avenue.
 Atlanta, Ga., Federal Office Building, 275 Peachtree Street NE.
 Chicago, Ill., 35 East Wacker Drive.
 Indianapolis, Ind., Illinois Building, 17 West Market.
 Louisville, Ky., 526 Federal Building.
 New Orleans, La., Federal Office Building.
 Boston, Mass., 80 Federal Street.
 Detroit, Mich., 2300 Cadillac Tower.
 St. Paul, Minn., First National Bank Building.
 Kansas City, Mo., Federal Office Building, 911 Walnut Street.

St. Louis, Mo., U.S. Courthouse and Customhouse.
 Omaha, Nebr., U.S. Post Office and Court-house.
 Newark, N.J., 251 Plane Street.
 Buffalo, N.Y., U.S. Courthouse, Niagara Square Station.
 New York, N.Y., 30 Church Street.
 Greensboro, N.C., 338 North Elm Street.
 Cincinnati, Ohio, New Federal Office Building, 550 Main Street.
 Cleveland, Ohio, Williamson Building, 215 Euclid Avenue.
 Oklahoma City, Okla., Courthouse and Federal Office Building, 220 Northwest Fourth Street.
 Portland, Oreg., 921 Southwest Washington Street.
 Philadelphia, Pa., 2 Penn. Center Plaza.
 Pittsburgh, Pa., Clark Building.
 Nashville, Tenn., U.S. Courthouse, 801 Broadway.
 Dallas, Tex., 1025 Elm Street.
 Houston, Tex., 515 Rusk Avenue.
 Richmond, Va., Parcel Post Building.
 Washington, D.C., Universal Building, North, 1875 Connecticut Avenue NW.
 Milwaukee, Wis., 730 East Michigan Street.
 Seattle, Wash., Sixth and Lenora Building, 2033 Sixth Avenue.

[F.R. Doc. 65-7947; Filed, July 27, 1965; 8:45 a.m.]

[Order No. 70 (Rev. 4)]

RELEASE OF INFORMATION RELATIVE TO LEAVE AND PAY OF EMPLOYEES

Delegation of Authority

JULY 22, 1965.

Pursuant to authority vested in the Commissioner of Internal Revenue, authority is hereby delegated to Regional Commissioners, Assistant Regional Commissioners (Administration), Regional Inspectors, Regional Counsel, District Directors, Service Center Directors, and the Director, IRS Data Center, to authorize the release of information from the leave and payroll records of employees under their jurisdiction, and to the Fiscal Management Officer to authorize the release of information from the leave and payroll records of all employees of the National Office, when such information is requested in connection with private litigation or is subpoenaed by a court, upon determination that release of the information would not be detrimental to the Internal Revenue Service.

This delegation does not include authority to release information contained in official personnel folders, which is covered by regulations in § 1(11)13.1, Part I, of the Internal Revenue Manual.

When any uncertainty exists as to the advisability of furnishing leave and pay information in a particular case, the matter should be referred to the National Office, Attention: A:F:AS, with a complete report of the circumstances.

This order supersedes Delegation Order No. 70 (Rev. 3), issued December 7, 1964.

Effective date: July 22, 1965.

[SEAL] **BERTRAND M. HARDING,**
Acting Commissioner.

[F.R. Doc. 65-7936; Filed, July 27, 1965; 8:47 a.m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[Arizona 035111]

ARIZONA

Revocation of Order Opening Unclassified Lands to Application

Pursuant to authority delegated to me by Bureau Order No. 701, dated July 23, 1964 (29 F.R. 10526), I hereby revoke Arizona Order Opening Unclassified Lands to Small Tract Application, published June 13, 1963, on Page 6027, as F.R. Document 63-6225, in its entirety:

GILA AND SALT RIVER MERIDIAN, ARIZ.

Tps. 1 S. to 11 S., inclusive, R. 19 E. to 32 E., inclusive.

FRED J. WEILER,
State Director.

JULY 20, 1965.

[F.R. Doc. 65-7945; Filed, July 27, 1965; 8:48 a.m.]

UTAH

Order Providing for Opening of Public Lands

1. In exchanges of lands made under the provisions of Sec. 8 of the Act of June 28, 1934 (48 Stat. 1269; 43 U.S.C. 315g), as amended, the following described lands have been conveyed to the United States:

SALT LAKE BASE AND MERIDIAN

UTAH 0144578

T. 14 N., R. 9 W.,
 Sec. 33.

UTAH 0144579—UTAH 0144580

T. 12 N., R. 5 E.,
 Sec. 35, E $\frac{1}{2}$, E $\frac{1}{2}$ W $\frac{1}{2}$.

UTAH 0144581

T. 10 N., R. 7 E.,

Sec. 33, All that part of the W $\frac{1}{2}$ SE $\frac{1}{4}$ lying west of the State Highway and further described in the warranty deed dated July 23, 1964, recorded in the Rich County Records on August 19, 1964, Book B2, Page 175, and containing 56 acres, more or less.

The area described aggregates 1,176 acres, more or less.

2. The conveyances to the United States included the minerals in the following-described lands only:

SALT LAKE BASE AND MERIDIAN

T. 12 N., R. 5 E.,
 Sec. 35, E $\frac{1}{2}$, E $\frac{1}{2}$ W $\frac{1}{2}$.

T. 10 N., R. 7 E.,

Sec. 33, All that part of the W $\frac{1}{2}$ SE $\frac{1}{4}$ lying west of the State Highway. (Detailed description given above.)

3. The land in T. 14 N., R. 9 W., is located 8 miles west and 5 miles south of Snowville, Box Elder County, Utah, in a desert valley area. The topography is gently sloping. The soil is a deep silty clay loam and supports a desert shrub vegetation composed of mostly big sage, some greasewood, and sweet sage in spotty areas. The land is suitable for livestock grazing.

4. The lands in T. 12 N., R. 5 E., are located about 7 miles south of Laketown, Rich County, Utah. The northern half

lies on the tops of a rolling hill area. The remainder is rolling with drainages. The soil of all this block is generally deep with some rock dispersment. Vegetative cover ranges from sage-aspen, to mountain browse types, the principal species include brome grass, bluegrass, wheatgrass, lupine, yarrow, geranium, serviceberry, snowberry, choke cherry, bitterbrush and aspen. The lands are not suited to farming but have been used for grazing livestock and deer. The southern half of the area has a potential for increased carrying capacity through reseeding to improved grasses.

5. An the land in T. 10 N., R. 7 E., is located 7 miles south of Randolph, Rich County, Utah, adjacent to Utah Highway No. 3. The tract is of a low foothill type being slightly rolling in topography. The soil is deep silty clay loam and supports a vegetative covering of black sage, big sage, and native bluegrass. The land is not adapted to farming but is suitable for grazing.

6. No application for these restored lands will be allowed under the homestead, desert-land, or any other non-mineral public land law, unless the lands have already been classified as valuable, or suitable for such type of application, or shall be so classified upon consideration of a petition-application. Any petition-application that is filed will be considered on its merits. The lands will not be subject to occupancy until they have been classified.

7. Pursuant to the authority delegated to me by Order No. 701, § 1.5(c), of the Director of the Bureau of Land Management dated July 23, 1964, the lands described in paragraph 1, are hereby opened to filing of application, petition, selection, and location generally, but excepting applications under the Small Tract Act, subject to valid existing rights, the provisions of existing withdrawals and the requirements of applicable law, effective 10 a.m., on August 30. All valid applications received at or prior to that time will be considered as simultaneously filed at that time.

8. The lands listed in paragraph 2 will be open to location under the United States mining laws, beginning at 10 a.m., on August 30, 1965.

9. Inquiries should be addressed to the Manager, Land Office, Bureau of Land Management, 125 South State Street, Salt Lake City, Utah, 84111.

R. D. NIELSON,
State Director.

JULY 19, 1965.

[F.R. Doc. 65-7923; Filed, July 27, 1965; 8:46 a.m.]

DEPARTMENT OF AGRICULTURE

Consumer and Marketing Service

[Marketing Agreement 146]

QUALITY REGULATION OF DOMESTICALLY PRODUCED PEANUTS

Notice is hereby given that on July 9, 1965, the Secretary of Agriculture executed the appended marketing agreement regulating the quality of domestically produced peanuts, to be effective

at 12:01 a.m., July 12, 1965. A list of the handlers of peanuts who have signed counterparts of such agreement and are parties thereto is set forth below. As specified in sec. 61 of such agreement, other handlers of peanuts may become parties to such agreement by following the procedure set forth therein.

The handlers of peanuts who have signed such agreement and are parties thereto are as follows:

Southeastern Area. Anderson Peanut Co., Andalusia, Ala.; Alabama Warehouse Co., Troy, Ala.; Arlington Oil Mills, Inc., Arlington, Ga.; Bain Peanut Co., Albany, Ga.; Barrow & Prescott, Inc., Matthews, Ga.; Blakely Peanut Co. (The), Blakely, Ga.; Burke County Peanut Co., Waynesboro, Ga.; Dixie Peanut Co., Fitzgerald, Ga.; Dothan Oil Mill Co., Inc., Dothan, Ala.; Enterprise Oil Co., Inc., Enterprise, Ala.; Eufaula Cotton Oil Co., Inc., Eufaula, Ala.; Farmers Gin Co., Edison, Ga.; Florida Peanut & Feed Co., High Springs, Fla.; Fudge Gin Co., Inc., Colquitt, Ga.; Gold Kist Peanut Growers, Atlanta, Ga.; C. N. Gray Storage & Dryer Co., Ocilla, Ga.; Hartford Peanut Co., Inc., Hartford, Ala.; Hawkinsville Peanut & Gin Co., Hawkinsville, Ga.; Houston Peanut Co., Sylvester, Ga.; Luverne Peanut Co., Inc., Luverne, Ala.; Maddox Corp. (The), Blakely, Ga.; McCloskey Mills, Inc., Americus, Ga.; Oakley Peanut Co., Columbia, Ala.; Newton Peanut Co., Inc., Newton, Ga.; Opp Peanut Co., Inc., Opp, Ala.; Pender Peanut Corp., Greenwood, Fla.; Planters Products Co., Donaldsonville, Ga.; Reeves Peanut Co., Eufaula, Ala.; Sessions Co., Inc., Enterprise, Ala.; Southern Cotton Oil Division, Hunt Foods and Industries, Inc., Macon, Ga.; Southern Peanut & Storage Co., Dublin, Ga.; Stevens Industries, Inc., Dawson, Ga.; Sylvania Peanut Co., Sylvania, Ga.; Thompson Co., Inc., Troy, Ala.; Tom Huston Peanut Co., Columbus, Ga.; Weaver Milling Co., Ocilla, Ga.

Southwestern Area. Bain Peanut Co., San Antonio, Tex.; Borden Peanut Co., Portales, N. Mex.; Denison Peanut Co., Denison, Tex.; Durant Cotton Oil & Peanut Corp., Durant, Okla.; Durant Peanut Co. (Branch of DeLeon Peanut Co.), Durant, Okla.; Ellis L. Ganey Peanut Co., Abilene, Tex.; Gorman Peanut Co., Gorman, Tex.; Hou-Tex Peanut Co., Inc., Houston, Tex.; Lee County Peanut Co., Giddings, Tex.; Portales Valley Mills, Inc., Portales, N. Mex.; Quality Peanut Co., Inc., Fredericksburg, Tex.; Ranger Peanut Co., Ranger, Tex.; Wilson County Peanut Co., San Antonio, Tex.; Weldert Peanut Products Co., Tyler, Tex.

Virginia-Carolina Area. Birdsong Storage Co., Inc., Suffolk, Va.; Columbian Peanut Co., Norfolk, Va.; Gilliam Bros. Peanut Sheller, Inc., Windsor, N.C.; Hancock Peanut Co., Courtland, Va.; Jones Peanut Co., Chadbourne, N.C.; Keel Peanut Co., Greenville, N.C.; National Peanut Corp., Suffolk, Va.; Old Dominion Nut Corp., Suffolk, Va.; Parker Peanut Co., Suffolk, Va.; Peanut Processors, Inc., Dublin, N.C.; Pend Bros. Peanut Co., Inc., Suffolk, Va.; Pretlaw Peanut Co., Inc., Franklin, Va.; Severn Peanut Co., Inc., Severn, N.C.; Southern Peanut Co., Inc., Dublin, N.C.; South Quay Peanut Co., Franklin, Va.; Suffolk Peanut Co. (The), Suffolk, Va.; United States Tobacco Co., New York, N.Y.; Virginia Peanut Co., Suf-

folk, Va.; Williamston Peanut Co., Inc., Williamston, N.C.

Dated: July 22, 1965.

FLOYD F. HEDLUND,

Director,

Fruit and Vegetable Division.

MARKETING AGREEMENT REGULATING THE QUALITY OF DOMESTICALLY PRODUCED PEANUTS

The parties hereto, in order to effectuate the declared policy of the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31 as amended; 7 U.S.C. 601-674), and in accordance with the applicable rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 900), desire to enter into this marketing agreement to apply quality regulations to the handling of domestically produced peanuts of 1965 and later crops and provide for indemnification and each party hereto agrees that, from the effective date of this marketing agreement, its handling of domestically produced peanuts shall be in conformity to, and in compliance with, the provisions hereof, which are as follows:

DEFINITIONS

SECTION 1. Secretary. "Secretary" means the Secretary of Agriculture of the United States or any officer or employee of the U.S. Department of Agriculture who is, or who may hereafter be, authorized to act in his stead.

Sec. 2. Act. "Act" means Public Act No. 10, 73d Congress (May 12, 1933), as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U.S.C. 601 et seq.).

Sec. 3. Person. "Person" means an individual, partnership, corporation, association, or any other business unit.

Sec. 4. Area. "Area" means all States with commercial production of peanuts and includes the States of Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Arkansas, Tennessee, Missouri, Louisiana, Oklahoma, Texas, New Mexico, Arizona, and California.

Sec. 5. Peanuts. "Peanuts" means the seeds of the legume *arachis hypogaea* and includes both inshell and shelled other than those marketed by the producer in green form for consumption as boiled peanuts.

(a) **Farmers stock.** "Farmers stock peanuts" means picked and threshed peanuts which have not been shelled, crushed, cleaned, or otherwise changed (except for removal of foreign material, loose shelled kernels and excess moisture) from the form in which customarily marketed by producers.

(b) **Segregation 1.** "Segregation 1 peanuts" means farmers stock peanuts with not more than 2 percent damaged kernels nor more than 1.00 percent concealed damage caused by rancidity, mold, or decay.

(c) **Segregation 2.** "Segregation 2 peanuts" means farmers stock peanuts with more than 2 percent but not more than 4 percent damaged kernels nor more than 1.00 percent concealed damage caused by rancidity, mold, or decay.

(d) **Segregation 3.** "Segregation 3 peanuts" means farmers stock peanuts with more than 4 percent damaged kernels or more than 1.00 percent concealed damage caused by rancidity, mold, or decay.

(e) The definitions set forth in paragraphs (b), (c), and (d) of this section may be modified by the Secretary pursuant to section 34.

Sec. 6. Producer. "Producer" means any person engaged within the area in a proprietary capacity in the production of peanuts for sale.

Sec. 7. Handle. "Handle" means to engage in the receiving or acquiring, cleaning and shelling, cleaning inshell, or crushing of peanuts and in the shipment (except as

a common or contract carrier of peanuts owned by another) or sale of cleaned inshell or shelled peanuts or other activity causing peanuts to enter the current of commerce: *Provided*, That this term does not include sales or deliveries of peanuts by a producer to a handler or to an intermediary person engaged in delivering peanuts to handler(s): *And provided further*, That this term does not include sales or deliveries of peanuts by such intermediary person(s) to a handler.

Sec. 8. Handler. "Handler" means any person who handles peanuts, in a capacity other than that of a custom cleaner or dryer, an assembler, a warehouseman or other intermediary between the producer and the person handling, and who is a party to this agreement.

Sec. 9. Crop year. "Crop year" is synonymous with "fiscal year" and means the 12-month period beginning with July 1 of any year and ending with June 30 of the following year.

Sec. 10. Production areas. "Production areas" mean:

(a) The Southeastern area consisting of the States of Alabama, Florida, Georgia, Mississippi, and that part of South Carolina south and west of the Santee-Congaree-Broad Rivers.

(b) The Southwestern area consisting of the States of Arizona, Arkansas, California, Louisiana, New Mexico, Oklahoma, and Texas.

(c) The Virginia-Carolina area consisting of the States of Missouri, North Carolina, Tennessee, Virginia, and that part of South Carolina north and east of the Santee-Congaree-Broad Rivers.

Sec. 11. Area association. "Area association" means for the Southeastern area, GFA Peanut Association, Camilla, Ga.; Southwestern area, Southwestern Peanut Growers Association, Gorman, Tex.; and Virginia-Carolina area, Peanut Growers Cooperative Marketing Association, Franklin, Va.

PEANUT ADMINISTRATIVE COMMITTEE

Sec. 15. Establishment and membership. A peanut administrative committee (hereinafter referred to as committee) is hereby established to administer the terms and provisions of this agreement. Such committee shall consist of 18 members of whom 9 shall represent producers and 9 shall represent handlers. The producer representation shall be three for the Southeastern area, three for the Southwestern area, and three for the Virginia-Carolina area of which one of the three in each production area shall represent the respective area association. The handler representation shall also be three for each of the designated areas. For each member there shall be an alternate member.

Sec. 16. Eligibility. Each producer member of the committee and alternate member, shall be, at the time of his selection and during his term of office, a producer, or an officer or employee of an area association, in the area for which selected and shall cease to be a member or alternate upon engaging in the handling of peanuts either in a proprietary capacity or as a director, officer, or employee of other than a cooperative association. Each handler member of the committee, and his alternate, shall be, at the time of his selection, a handler or an officer or employee of a handler in the area for which selected and shall throughout his term of office so continue to be a handler.

Sec. 17. Term of office. Members and alternate members of the committee shall serve for terms of 3 years ending on April 30 but initial members and alternates shall be selected for terms of 1, 2, or 3 years so that one-third of the producer and handler representatives in each area may be replaced each year. Each member and alternate member shall continue to serve until his successor is selected and has qualified.

Sec. 18. Initial committee. The initial members of the committee and their respective alternates shall be as follows:

	Member	Alternate member	Term of office years
SOUTHEASTERN AREA			
Producers:			
Area Association.....	D. H. Harden.....	W. G. Miller.....	3
At Large.....	James E. Mobley.....	T. Lewis Knox.....	2
At Large.....	Emmett Reynolds.....	Billy Newberry.....	1
Handlers:			
.....	Don W. Sands.....	Tom Chandler.....	3
.....	James Anderson.....	J. B. Roberts.....	2
.....	R. C. Singletary, Jr.....	Robert Pender.....	1
SOUTHWESTERN AREA			
Producers:			
Area Association.....	Ross Wilson.....	B. D. Green.....	3
At Large.....	D. B. Warren.....	E. A. Walker.....	2
At Large.....	Barton Scott.....	Jesse Leuch.....	1
Handlers:			
.....	John Haskins.....	Pat Cagle.....	3
.....	Meivin Shell.....	Ellis L. Ganey.....	2
.....	John Burroughs.....	R. L. Borden.....	1
VIRGINIA-CAROLINA AREA			
Producers:			
Area Association.....	S. Womack Lee.....	J. F. Turner, Sr.....	3
At Large.....	Joe S. Bogg.....	Minton Beach, Jr.....	2
At Large.....	Wm. V. Rawlings.....	G. B. Ligon.....	1
Handlers:			
.....	H. R. Birdsong.....	W. J. Spain, Jr.....	3
.....	T. J. White.....	W. P. Woodley.....	2
.....	B. E. Parker.....	William D. Shaw.....	1

SEC. 19. Nomination. Producers and handlers may nominate their successor representatives to those named in section 18 at meetings held in each area except that each area association representative shall be nominated by the association. The committee shall hold and shall give reasonable publicity to nomination meetings and may use the respective area associations to convene meetings of the producers. Only persons eligible to serve shall be eligible to vote. Each producer and each handler shall have but one vote, but a handler may vote in each production area in which he is a handler and if engaged in peanut production, may vote in his capacity as a producer. The person receiving the largest number of the votes cast for a position shall be the nominee. All nominations shall be certified by the committee to the Secretary no later than April 5 preceding the commencement of the term of office.

SEC. 20. Selection. The Secretary shall select successor producer and handler members and alternate members of the committee in the numbers and with the qualifications specified in this agreement. Such selections may be made from the nominations certified by the committee or from other eligible producers and handlers.

SEC. 21. Failure to nominate. In the event a nominee for any member or alternate member position is not certified pursuant to and within the time specified, the Secretary may select an eligible person to fill such position without regard to nomination.

SEC. 22. Qualified by acceptance. Each person selected by the Secretary as a member or as an alternate member shall, prior to serving, qualify by filing with the Secretary a written acceptance as soon as practicable after being notified of such selection.

SEC. 23. Alternate members. An alternate for a member shall act in the place and stead of such member (a) during his absence, or (b) in the event of his removal, resignation, disqualification, or death, until a successor for such member's unexpired term has been selected and has qualified.

SEC. 24. Vacancies. Any vacancy occasioned by the removal, resignation, disqualification, or death of any member or alternate, or any need to select a successor through failure of any person selected as a member or alternate member to qualify, and which is not recognized by the committee certifying to the Secretary a new nominee within 40 calendar days, may be filled pursuant to section 21.

SEC. 25. Compensation and expenses. The members of the committee, and the alter-

nate members when acting as members, shall serve without compensation but shall be allowed their necessary expenses, actual or per diem, as approved by the committee.

SEC. 26. Procedure. All decisions of the committee reached at an assembled meeting shall be by majority vote of the members present except that a change of a quality regulation shall require approval of 75 percent of the members. Meetings, or portions of meetings, concerned with marketing policy or quality regulation shall be open to all members of the peanut industry. All votes in an assembled meeting shall be cast in person and a quorum must be present for a valid decision. A quorum shall consist of not less than 50 percent of the producer members and 50 percent of the handler members. The committee may vote by mail or telegram upon due notice to all members, but any proposition so voted upon first shall be explained accurately, fully, and identically by mail or telegram, to all such members. When any proposition is submitted to be voted on by such method, one dissenting vote shall prevent its adoption. Failure of any member, or alternate acting for a member, to vote within a prescribed time shall be held to be a dissenting vote.

SEC. 27. Powers. The committee shall have the following powers:

(a) To administer the agreement in accordance with its terms and provisions;

(b) To receive, investigate, and report to the Secretary, complaints of violations of this agreement; and

(c) To recommend to the Secretary amendments to this agreement.

SEC. 28. Duties. The committee shall have the following duties:

(a) To act as intermediary between the Secretary and any producer or handler;

(b) To keep minutes, books, and other records which shall clearly reflect all of its acts and transactions and these shall be subject to examination by the Secretary at any time;

(c) To investigate and assemble data on the production, handling, and marketing of peanuts;

(d) To submit to the Secretary such available information with respect to peanuts as he may request and such other information as the committee may deem desirable and pertinent;

(e) To select from among its members a chairman and other officers and to adopt such by-laws for the conduct of its business as it may deem advisable;

(f) To appoint or employ such persons as it may deem necessary and to determine

the salaries and define the duties of each such person;

(g) To cause the books of the committee to be audited by a certified public accountant at least once each crop year and at such other times as the committee may deem necessary or as the Secretary may request, to submit two copies of each such audit report to the Secretary, and to make available a copy which does not contain confidential data for inspection at the offices of the committee by producers and handlers;

(h) To prepare and submit to the Secretary quarterly statements of the financial operations of the committee and to make such statements together with the minutes of the meetings of said committee available for inspection at the offices of the committee by producers and handlers;

(i) To give the Secretary the same notice of meetings of the committee as is given to members;

(j) To investigate compliance with and to use means available to the committee to prevent violation of the provisions of this agreement; and

(k) To establish with the approval of the Secretary such rules and regulations as are necessary or incidental to administration of this agreement, as are consistent with its provisions, and as would tend to accomplish the purposes of this agreement and the act.

MARKETING POLICY

SEC. 30. Marketing policy. Prior to May 31, the committee shall prepare and submit to the Secretary a report setting forth its recommended marketing policy covering quality regulations for the pending crop. In the event it becomes advisable to modify such policy, because of changed conditions, the committee shall formulate a new policy and shall submit a report thereon to the Secretary. In developing the marketing policy, the committee shall give consideration to the production, harvesting and storage conditions, probable quality of crop, grading and treatment methods, inspection capability, demand for peanuts in domestic and foreign markets, the basis of handler indemnification, the probable assessable tonnage for the purposes of section 48 and such other factors as may have a bearing on the peanut quality regulation or the administration of this agreement. Notice of the committee's marketing policy, and of any modifications thereof, shall be given promptly by reasonable publicity, to producers and handlers.

QUALITY REGULATION

SEC. 31. Incoming regulation. No handler shall receive or acquire peanuts, either from a producer or other person, unless such peanuts were determined pursuant to section 33 to be Segregation 1 peanuts at time of receipt from the producer or, if received from another person, had not been mixed with peanuts of a lower quality than Segregation 1: *Provided*, That a handler may (a) receive or acquire and deliver for seed purposes farmers stock peanuts with not more than 3 percent damaged kernels nor more than 10 percent moisture if such peanuts were produced under the auspices of a State agency which regulates or controls the production of seed peanuts; (b) acquire shelled peanuts from the Commodity Credit Corporation (CCC) or cleaned inshell or shelled peanuts from handlers subject to this agreement, or from buyers who have purchased such peanuts from such handlers or from CCC, if the lot has been certified as meeting the requirements of section 32(a) and the identity is maintained; (c) perform services for an area association pursuant to a peanut receiving and warehouse contract; and (d) if a crusher, acquire peanuts of a lower quality than Segregation 1 as oil stock upon such conditions as the committee, with the approval of the Secretary, may prescribe.

Segregation 2 peanuts which are wholesome relative to mold damage may be acquired from peanuts held by COC or an area association when released by the Secretary as needed to fill demand. In the situation of section 35, the Secretary may authorize handlers to acquire Segregation 2 peanuts from producers or intermediaries. The acquisition of loose shelled kernels or their removal from farmers stock peanuts shall be in accordance with such procedures as the committee, with the approval of the Secretary, may establish.

Sec. 32. Outgoing regulation. (a) No handler shall dispose of for human consumption, peanuts which fail to meet such U.S. grade requirements, or modifications thereof, or requirements as to wholesomeness as the committee, with the approval of the Secretary, may specify including the tolerance for moldy peanuts, time in storage, or other pertinent factors. No inspection certificate issued pursuant to section 33 shall be effective if unacceptable to the committee or for more than such period of time as the committee, with the approval of the Secretary, may prescribe. Peanuts which fail to meet the requirements specified pursuant to this section shall be disposed of by delivery to the Commodity Credit Corporation or in such manner as may be prescribed by the committee with the approval of the Secretary.

(b) Notwithstanding the restrictions contained in this section, any handler may transfer peanuts from one plant owned by him to another plant owned by him or to commercial storage without having an inspection made as provided for in section 33. No such transfers shall be made except in accordance with such procedures as the committee, with the approval of the Secretary, may prescribe for movement within each production area, to another production area or to points outside thereof.

Sec. 33. Inspection, certification, and identification. Each handler shall, at his own expense, prior to or upon receiving and before shipping or disposing of peanuts, cause an inspection to be made of any such peanuts not covered by a valid inspection certificate, to determine whether they meet the applicable grade requirements effective pursuant to this agreement and shall comply with such identification requirements as the committee, with the approval of the Secretary, may prescribe. Such handler shall obtain a certificate that such peanuts meet the aforementioned applicable requirements and all such certificates shall be available for examination or use by the committee. Acceptable certificates shall be those issued by Federal or Federal-State inspectors authorized or licensed by the Secretary.

Sec. 34. Modification. The requirements of sections 31 and 32 and definitions set forth in section 5 (b), (c), and (d) may be modified by the Secretary, upon recommendation of the committee or other information, whenever he finds that such modification would tend to effectuate the objectives of this agreement.

Sec. 35. Above parity situations. Minimum standards established under sections 31 and 32, the grading and inspection requirements, and the provisions of this agreement relating to administration and indemnification shall continue in effect irrespective of whether or not the estimated season average price for peanuts is in excess of the parity level specified in section 2(1) of the act.

Sec. 36. Indemnification. The committee shall, upon such terms and conditions as it may establish with the approval of the Secretary, indemnify any handler, to the extent specified, for losses incurred by him on peanuts which have been milled for sale for human consumption and which meet the applicable grade and other requirements but which are determined by the committee or

the U.S. Food and Drug Administration to be unsuitable for human consumption because of aflatoxin including such peanuts returned, resold or rejected to a handler by a purchaser. Any peanuts for which the handler is indemnified pursuant to this paragraph shall be delivered to the committee or disposed of as the committee may direct. Funds for such indemnification shall be obtained pursuant to section 48. The period of indemnification on any crop may extend to December 31 of the calendar year following the year in which the crop was produced.

REPORTS, BOOKS AND RECORDS

Sec. 40. Confidential information. All reports and records furnished or submitted by handlers to the committee which include data or information constituting a trade secret or disclosing the trade position, financial condition, or business operations of the particular handlers or their customers shall be received by, and at all times kept in the custody and under the control of, one or more employees of the committee, who shall disclose such information to no person except the Secretary. Notwithstanding the above provisions of this section, information may be disclosed to the committee when reasonably necessary to enable the committee to carry out its functions under this agreement.

Sec. 41. Reports of acquisitions and shipments. Each handler shall file such reports of his acquisitions and shipments of peanuts, as may be requested by the committee.

Sec. 42. Other reports. Upon the request of the committee, with the approval of the Secretary, each handler shall furnish such other reports and information as are needed to enable the committee to perform its functions under this agreement.

Sec. 43. Records. Each handler shall maintain such records of peanuts received, held and disposed of by him, as will substantiate any required reports and will show performance under this agreement. Such records shall be retained for at least 2 years beyond the crop year of their applicability.

Sec. 44. Verification of reports. For the purpose of checking and verifying reports filed by handlers or the operation of handlers under the provisions of this agreement, the Secretary and the committee, through its duly authorized agents, shall have access to any premises where peanuts may be held by any handler and at any time during reasonable business hours, shall be permitted to inspect any peanuts so held by such handler and any and all records of such handler with respect to the acquisition, holding, or disposition of all peanuts which may be held or which may have been disposed of by him.

EXPENSES AND ASSESSMENTS

Sec. 47. Expenses. The committee is authorized to incur such expenses as the Secretary finds are reasonable and likely to be incurred by it during each crop year for the maintenance and functioning of the committee and for such other purposes as the Secretary may, pursuant to the provisions of this agreement, determine to be appropriate.

Sec. 48. Assessments. (a) Each handler shall pay to the committee, upon demand, with respect to peanuts received by him, including his own production, his pro rata share of all expenses, indemnification, and other, which the Secretary finds are reasonable and likely to be incurred by the committee during each crop year. Each handler's pro rata share shall be the rate of assessment fixed by the Secretary per net ton of farmers stock peanuts received or acquired other than those peanuts described in section 31 (c) and (d). During a crop year the Secretary may not increase the rate of assessment to cover a deficit in the indemnification fund but may assess for a deficit in a subsequent year. An assessment

rate may be increased to cover a deficit in the administrative fund.

(b) In order to provide funds to carry out the functions of the committee, the committee may borrow money or may accept advance payments from any handler to be credited toward such assessments as may be levied pursuant to this section against the respective handler.

(c) **Indemnification reserve.** The committee, with the approval of the Secretary, may establish and maintain during one or more crop years a monetary reserve in an amount approximating anticipated expenses for indemnification pursuant to section 36.

(d) **Refunds.** Administrative funds held by the committee at the conclusion of the crop year in excess of the crop year's expenses, other than indemnification funds, may be used to defray expenses for no more than the ensuing 4 months, and thereafter within a reasonable time the committee shall credit the aforesaid administrative excess to handlers who contributed to such excess: *Provided*, That the excess due any handler shall be applied, in whole or in part, by the committee to any outstanding obligation due the committee from such handler. Should any handler discontinue handling peanuts, such excess shall be refunded to him. A handler's share of such excess funds shall be the amount of such assessments he paid in excess of his actual pro rata share of the administrative expenses of the committee. Upon termination of this agreement any indemnification money in possession of the committee shall be turned over to any successor committee or disposed of, with the approval of the Secretary, for projects of benefit to the peanut industry and any residual together with any administrative money shall be distributed in such manner as the Secretary may direct: *Provided*, That, to the extent practicable, such residual funds shall be returned pro rata to the persons from whom collected.

MISCELLANEOUS PROVISIONS

Sec. 50. Rights of the Secretary. The members of the committee (including successors or alternates) and any agent or employee appointed or employed by the committee, shall be subject to removal or suspension by the Secretary, in his discretion, at any time. Each and every decision, determination, or other act of the committee shall be subject to the continuing right of the Secretary to disapprove of the same at any time, and upon such disapproval, shall be deemed null and void.

Sec. 51. Personal liability. No member or alternate member of the committee, nor any employee, representative, or agent of the committee shall be held personally responsible to any handler, either individually, or jointly with others, in any way whatsoever, to any person, for errors in judgment, mistakes, or other acts, either of commission or omission, as such member, alternate member, employee, representative, or agent, except for acts of dishonesty.

Sec. 52. Separability. If any provision of this agreement is declared invalid, or the applicability thereof to any person, circumstance, or thing is held invalid, the validity of the remainder, or the applicability thereof to any other person, circumstance, or thing, shall not be affected thereby.

Sec. 53. Derogation. Nothing contained in this agreement is, or shall be construed to be, in derogation or in modification of the rights of the Secretary or of the United States to exercise any powers granted by the act or otherwise, or, in accordance with such powers, to act in the premises whenever such action is deemed advisable.

Sec. 54. Duration of immunities. The benefits, privileges, and immunities conferred upon any person by virtue of this agreement shall cease upon its termination, except with

respect to acts done under and during the existence thereof.

Sec. 55. Agents. The Secretary may, by a designation in writing, name any person, including any officer or employee of the U.S. Government, or name any service, division or branch in the U.S. Department of Agriculture, to act as his agent or representative in connection with any of the provisions of this agreement.

Sec. 56. Effective time. The provisions of this agreement, as well as any amendments, shall become effective at such time as the Secretary may declare, and shall continue in force until terminated or suspended in one of the ways specified in section 57.

Sec. 57. Suspension or termination.—(a) *Failure to effectuate policy of act.* The Secretary shall terminate or suspend the operation of any or all of the provisions of this agreement, whenever he finds that such provisions do not tend to effectuate the declared policy of the act. Moreover, if the provisions of the CCC price support program relating to purchases from shellers are discontinued, or change appreciably, consideration shall be given to termination of this agreement.

(b) *Referendum.* The Secretary shall terminate, in accordance with section 8c(16) (B) of the act, the provisions of this agreement at the end of any crop year whenever he finds that such termination is favored by a majority of the producers of peanuts who during the crop year have been engaged in the production of peanuts for market. *Provided*, That such majority have during such period produced for market more than 50 percent of the volume of such peanuts produced for market within the area, but such termination shall be effective only if announced on or before June 1 of the then current crop year.

(c) *Termination of Act.* The provisions of this agreement shall terminate, in any event, whenever the provisions of the act authorizing them cease to be in effect.

Sec. 58. Procedure upon termination. Upon the termination of this agreement, the members of the committee then functioning shall continue as joint trustees, for the purpose of liquidating the affairs of the committee. Action by such trustees shall require the concurrence of a majority of said trustees. Such trustees shall continue in such capacity until discharged by the Secretary, and shall account for all receipts and disbursements and deliver all property on hand, together with all books and records of the committee and the joint trustees, to such person as the Secretary may direct; and shall, upon the request of the Secretary, execute such assignments or other instruments necessary or appropriate to vest in such person full title and right to all the funds, properties, and claims vested in the committee or the joint trustees, pursuant to this agreement. Any person to whom funds, property, or claims have been transferred or delivered by the committee or the joint trustees, pursuant to this section, shall be subject to the same obligations imposed upon the members of said committee and upon said joint trustees.

Sec. 59. Effect of termination or amendment. Unless otherwise expressly provided by the Secretary, the termination of this agreement or of any regulation issued pursuant thereto, or the issuance of any amendment to either thereof, shall not (a) affect or waive any right, duty, obligation, or liability which shall have arisen or which may thereafter arise in connection with any provisions of this agreement or any regulation issued thereunder, or (b) release or extinguish any violation of this agreement or any regulation issued thereunder, or (c) affect or impair any rights or remedies of the Secretary, or of any other person, with respect to such violation.

Sec. 60. Counterparts. This agreement may be executed in multiple counterparts

and, when one counterpart is signed by the Secretary, all such counterparts shall constitute, when taken together, one and the same instrument as if all signatures were contained in one original.

Sec. 61. Additional parties. After the effective date of this agreement, any handler may become a party hereto if a counterpart is executed by him and delivered to the Secretary. This agreement shall take effect as to such new contracting party at the time such counterpart is delivered to the Secretary and such party has complied with assessment obligations and the quality regulations applicable to the current crop. The benefits, privileges, and immunities conferred by this agreement shall then be effective as to such new contracting party.

The undersigned hereby authorizes the Secretary to correct typographical errors which may have been made in this marketing agreement.

In witness whereof, the contracting handlers, acting under the provisions of the act, and for the purposes and subject to the limitations therein contained, and not otherwise, have hereunto set their respective hands and seals.

Signature of party:

(Firm name)

(Address)
By _____
(Name)

(Title)

Date of execution
(Corporate seal; if none, so state)

The Deputy Administrator, Consumer and Marketing Service, U.S. Department of Agriculture, acting pursuant to the act and the regulations issued thereunder, and having reason to believe that the execution of an agreement regulating the quality of domestically produced peanuts would tend to effectuate the declared policy of the act, caused a notice of public hearing thereon to be issued (30 F.R. 3658). Pursuant thereto, a public hearing was held in Washington, D.C., on April 7, 1965, at which all interested persons in attendance were afforded due opportunity to be heard.

On the basis of the evidence introduced at the hearing and the record thereof, it is hereby found that:

(1) The said marketing agreement and all the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(2) All handling of domestically produced peanuts is in the current of interstate or foreign commerce, or directly burdens, obstructs, and affects such commerce.

It is hereby determined that this agreement has been signed by a percentage of handlers large enough in number and in volume of crop handled to justify its issuance.

This agreement should become effective and operative on the effective date specified below. Handlers subject thereto have already executed this agreement, the 1965 peanut crop harvest is expected to begin about July 15, 1965, the Peanut Administrative Committee must be organized and procedures for operation under the agreement must be established and, generally, the program should become effective as soon as possible.

Accordingly, this agreement is entered into at Washington, D.C., this 9th day of July 1965, to become effective at 12:01 a.m., e.d.t., on July 12, 1965.

Witness my hand and the official seal of the U.S. Department of Agriculture.

GEORGE L. MEHREN.

[P.R. Doc. 65-7926; Filed, July 27, 1965; 8:43 a.m.]

[Marketing Agreement 146]

INCOMING AND OUTGOING QUALITY REGULATIONS

Pursuant to the provisions of sections 31, 32, and 34 of the marketing agreement regulating the quality of domestically produced peanuts heretofore entered into between the Secretary of Agriculture and various handlers of peanuts and upon recommendation of the Peanut Administrative Committee established pursuant to such agreement and other information it is hereby found that the appended incoming and outgoing quality regulations, which modify or are in addition to the restrictions of sections 31 and 32 of said agreement will tend to effectuate the objectives of the Agricultural Marketing Agreement Act of 1937, as amended, and of such agreement and should be issued.

The Peanut Administrative Committee has recommended that these regulations be issued as soon as possible so as to implement and effectuate the provisions of the marketing agreement dealing with incoming and outgoing quality regulations. The 1965 peanut crop harvest has already started and procedures and regulations for actual operation under the agreement should be established and be made effective as soon as possible, i.e., on the effective date specified herein. The handlers of peanuts who will be affected by such regulations have signed the marketing agreement authorizing the issuance of such regulations, they are represented on the Committee, which recommended such regulations, and time does not permit notice of the proposed regulations to handlers affected thereby.

The foregoing incoming and outgoing quality regulations are hereby issued this 22d day of July 1965 to become effective July 23, 1965.

FLOYD F. HEDLUND,
Director,

Fruit and Vegetable Division.

INCOMING QUALITY REGULATION

The following modify or are in addition to the peanut marketing agreement restrictions of section 31 on handler receipts or acquisitions of 1965 crop peanuts:

(a) *Moisture.* No handler shall receive or acquire peanuts containing more than 10 percent moisture; *Provided*, That peanuts of a higher moisture content may be received and dried to not more than 10 percent moisture prior to storing or milling. On farmers stock, such moisture determinations shall be rounded to the nearest whole number; on shelled peanuts, the determinations shall be carried to the hundredths place and shall not be rounded to the nearest whole number.

(b) *Damage.* For the purpose of determining damage, other than concealed damage, on farmers stock peanuts, all percentage determinations shall be rounded to the nearest whole number.

(c) *Loose shelled kernels.* Handlers may separate from the loose shelled kernels received with farmers stock peanuts, those sizes of whole kernels which ride screens with the following slot openings: Runner— $\frac{1}{16}$ x $\frac{3}{4}$ inch; Spanish and Valencia— $\frac{1}{16}$ x $\frac{3}{4}$ inch; Virginia— $\frac{1}{16}$ x 1 inch. If so separated, those loose shelled kernels which do not ride such screens, shall be held separate and apart from other peanuts and disposed of as oil stock or by otherwise removing them from human consumption outlets. If the whole kernels are not separated, the entire amount of loose

shelled kernels shall be so held and so delivered or disposed of. The whole kernels which ride the screens may be included with shelled peanuts prepared by the handler. For the purpose of this regulation, the term "loose shelled kernels" means peanut kernels or portion of kernels completely free of their hulls and found in deliveries of farmers stock peanuts.

(d) *Seed peanuts.* Peanuts residual from those shelled and disposed of for seed purposes may be acquired by handlers if the seed sheller has signed the marketing agreement. If such peanuts have been shelled by a producer or seed sheller who has not signed the marketing agreement, the peanuts may be acquired only upon the condition that they are held and milled separate and apart from other receipts or acquisitions of the handler until inspected and certified as meeting the outgoing quality regulation or until disposed of by sale to the Commodity Credit Corporation, by sale for oil stock, by crushing, or by otherwise removing them from human consumption outlets.

(e) *Oil stock.* Handlers who are crushers may acquire as oil stock peanuts of a lower quality than Segregation 1 or grades or sizes of shelled peanuts of cleaned inshell peanuts which fall to meet the requirements for human consumption. The provision of section 31 of the marketing agreement restricting such acquisitions to handlers who are crushers is hereby modified to authorize all handlers to act as accumulators and acquire Segregation 3 farmers stock peanuts for the sole purpose of delivery to crushers: *Provided*, That all such acquisitions shall be held separate and apart from Segregation 1 peanuts acquired for milling or from edible grades of shelled or milled peanuts and shall be disposed of only by crushing or by delivery to crushers and the consequent production of oil and meal.

OUTGOING QUALITY REGULATION

The following modify or are in addition to the peanut marketing agreement restrictions of section 33 on handler disposition of peanuts for human consumption.

(a) *Shelled peanuts.* No handler shall ship or otherwise dispose of shelled peanuts for human consumption, which contain more than (1) 1.25 percent damaged kernels, other than minor defects; (2) 2.00 percent damage and minor defects combined; (3) 9.00 percent moisture in the Southeast and Southwest areas, or 10.00 percent moisture in the Virginia-Carolina area; (4) 0.10 percent foreign material in peanuts of U.S. grade, other than U.S. splits, or 0.20 percent foreign material in U.S. splits and edible quality peanuts not of U.S. grade. Fall through in such peanuts shall not exceed 4 percent except that fall through consisting of either split and broken kernels or whole kernels shall not exceed 3 percent and fall through of whole kernels in Runners, Spanish or Virginia "with splits" shall not exceed 2 percent. The term "fall through" as used herein, shall mean sound split and broken kernels and whole kernels which pass through specified screens. Screens used for determining fall through in peanuts covered by this subparagraph (a) shall be as follows:

Grade and type	Screen openings	
	Split and broken kernels	Whole kernels
Virginia	Inch round	Inch slot
Runners	3/16	1/8 x 1/8
Spanish and Valencia	3/16	1/8 x 3/16
	1/8	1/8 x 1/8

(Runners, Spanish or Virginia "with splits" means shelled peanuts which do not contain more than (a) 15 percent splits, (b) for Runners or Spanish 2.00 percent whole

kernels which will pass through a 1/8 x 3/16 slot screen and for Virginia a 1/8 x 1 slot screen, and (c) otherwise meet the specifications of U.S. No. 1 grade.

(b) *Cleaned inshell peanuts.* No handler shall ship or otherwise dispose of inshell peanuts for human consumption with more than 2.00 percent peanuts with damaged kernels nor more than 10.00 percent moisture nor 0.50 percent foreign material.

(c) *All edible peanuts.* No handler shall ship or otherwise dispose of either shelled or cleaned inshell peanuts for human consumption if mold is present on more than 1.00 percent of the kernels unless he has had such peanuts analyzed chemically by a USDA laboratory which found them wholesome relative to aflatoxin.

(d) *Identification.* Each bag in each lot of shelled or cleaned inshell peanuts shipped or otherwise disposed of for human consumption shall be identified by a tag sewed (machine sewed if shelled peanuts) into the closure of the bag and the tag shall contain information required by the Peanut Administrative Committee to identify the lot and the quality of peanuts in such lot. Any such peanuts moved in bulk shall have their lot identity maintained by sealing the conveyance or by other means acceptable to the Federal or Federal-State inspectors and to the committee. All such lots of shelled or cleaned inshell peanuts shall be handled, stored, and shipped under positive identification procedures, i.e., in such manner that they can be identified as being covered by a specific inspection certificate.

(e) *Reinspection.* Whenever the committee has reason to believe that peanuts may have been damaged or deteriorated while in storage, the committee may reject the then effective inspection certificate and may require the owner of the peanuts to have a reinspection to establish whether or not such peanuts may be disposed of for human consumption.

(f) *Interplant transfer.* Until such time as procedures permitting interplant or cold storage movement are established by the committee, no handler shall so move, beyond the surveillance of the on-premise Federal-State inspector, cleaned inshell or shelled peanuts which have been bagged and tagged for handling under positive lot identification, unless such peanuts have been inspected and certified as meeting the outgoing quality regulation. However, any handler may transfer peanuts not so prepared from one plant owned by him to another of his plants or to commercial storage, without having such peanuts inspected and certified as meeting quality requirements, but such transfer shall be only to points within the same production area and ownership shall have been retained by the handler. Upon any transferred peanuts being disposed of for human consumption, they shall meet all the requirements applicable to such peanuts.

[P.R. Doc. 65-7927; Filed, July 27, 1965; 8:46 a.m.]

[Marketing Agreement 146]

INDEMNIFICATION; 1965 CROP

Section 36 of the marketing agreement regulating the quality of domestically produced peanuts, which agreement heretofore has been entered into by the Secretary of Agriculture and various handlers of peanuts, provides for indemnification of handlers as to peanuts which are unsuitable for human use because of aflatoxin upon such terms and conditions as the Peanut Administrative Committee may establish with the approval of the Secretary. The Committee has submitted the appended "Terms and

Conditions of Indemnification Applicable to 1965 Crop Peanuts" to the Secretary for approval, to be effective as soon as practicable following such approval.

The 1965 peanut crop harvest has already started and procedures and regulations for operations under the agreement should be established and be made effective as soon as possible, i.e., on the effective date herein specified. The handlers of peanuts who will be affected hereby have signed the marketing agreement authorizing the issuance hereof, they are represented on the Committee which has prepared and recommended this regulation for approval, and time does not permit prior notice of the proposed regulation to such handlers.

Upon consideration of the Committee recommendation and other available information the appended "Terms and Conditions of Indemnification Applicable to 1965 Crop Peanuts" are hereby approved this 22d day of July 1965 to become effective July 23, 1965.

FLOYD F. HEDLUND,
Director,
Fruit and Vegetable Division.

TERMS AND CONDITIONS OF INDEMNIFICATION APPLICABLE TO 1965 CROP PEANUTS

For the purpose of paying indemnities pursuant to section 36 of the peanut marketing agreement effective July 12, 1965, each handler shall promptly notify, or arrange for the buyer to notify, the manager, Peanut Administrative Committee of any lot of cleaned inshell or shelled peanuts, milled to the outgoing quality requirements and into one of the categories listed in the final paragraph of these terms and conditions, on which the buyer has withheld usage due to a finding as to aflatoxin content. If such a lot of peanuts has been inspected and certified as meeting the quality requirements of the agreement, and any regulation issued pursuant thereto, and the lot identification has been maintained, the committee shall promptly request an aflatoxin determination on such a lot by the Consumer and Marketing Service, USDA (if such has not been obtained by the buyer on the basis of an official sample drawn by Federal-State inspectors). If the determination by the committee indicates the lot is high in aflatoxin and that reduction to safe levels should not be expected of the buyer, and such determination is confirmed by the Consumer and Marketing Service, the lot may be rejected to the handler.

In an effort to make such rejected peanuts suitable for human consumption, the committee and the Consumer and Marketing Service shall, prior to disposition for crushing, determine if any lot so rejected is suitable for remilling.

If the committee and the Consumer and Marketing Service conclude that any such lot is not suitable for remilling, the lot shall be declared for indemnification and shall be disposed of by delivery to the committee at such point as it may designate. The indemnification payment for peanuts not suitable for remilling shall be 107 percent of the edible quality purchase price of CCC as set forth in the final paragraph of these terms and conditions plus actual costs of any necessary temporary storage and of transportation (excluding demurrage) from the handler's plant or storage to the point within the continental United States where the rejection occurred and from such point to a delivery point specified by the committee. Such payment shall be made to the handler as soon as practicable after delivery of the peanuts to the committee. The salvage value for peanuts declared for indemnification shall

be paid to, and retained by, the committee to offset indemnification expenses.

If it is determined that the lot should be remilled, expenses shall be paid by the committee on those lots which, on the basis of the inspection occurring prior to shipment, contained not more than 1.00 percent damaged kernels other than minor defects. Lots with damage in excess of 1.00 percent shall be remilled without reimbursement, for milling, freight, or other costs, from the committee.

The indemnification payment on peanuts declared for remilling, and which contain not more than 1.00 percent damaged kernels other than minor defects, shall be 107 percent of the edible quality purchase price of CCC, as set forth in the final paragraph of these terms and conditions, on the weight of peanuts removed in the remilling process, plus the aforementioned temporary storage and transportation costs and an allowance for remilling of one cent per pound on the original weight. Payment shall be made to the handler receiving the rejected lot as soon as practicable after receipt of such evidence of remilling and clearance of the lot for human consumption as the committee may require.

Remilling may occur on the premises of any handler signatory to the marketing agreement or such other plant as the committee may determine. If a suitable reduction in the aflatoxin content is not achieved on any remilled lot, the committee shall accept delivery of such lot for indemnification.

Claims for indemnification on peanuts of any crop shall be filed with the committee at least 30 days prior to December 31 of the subsequent calendar year.

So that all rejections and indemnifications shall be on a common basis, each handler shall include, directly or by reference, in his sales contract the following provision: "Should buyer find peanuts subject to indemnification, shipped under this contract, to be so high in aflatoxin as to provide possible cause for rejection, he shall promptly notify the Manager, Peanut Administrative Committee, Atlanta, Ga. Upon a determination of the Peanut Administrative Committee, confirmed by the Consumer and Marketing Service, authorizing rejection, title to such peanuts shall be returned to the seller. Seller agrees to accept title of such peanuts from buyer at the indemnification price, i.e., 107 percent of the CCC purchase price (excluding carrying charges) plus any actual costs of temporary storage and transportation incurred by buyer. Seller agrees to make payment to buyer upon its receipt from the Peanut Administrative Committee. Seller shall not be obligated to replace any peanuts so rejected."

The aforementioned edible quality purchase prices of CCC adjusted to the 107 percent level are as follows:

CLEANED IN-SHELL PEANUTS

- (1) U.S. Jumbos, 20.06 cents per lb.
- (2) U.S. Fancy Handpicks, 17.66 cents per lb.
- (3) Valencia-Roasting Stock, 17.12 cents per lb.

U.S. GRADE SHELLED PEANUTS

- (1) U.S. No. 1, 18.46 cents per lb.
- (2) U.S. splits, 17.86 cents per lb.
- (3) U.S. Virginia extra large, 22.74 cents per lb.
- (4) U.S. Virginia medium, 20.60 cents per lb.

The price for any lot of Runner, Spanish or Virginia "with splits" shall be computed by weighting the following prices by the percentage of kernels in the lot:

- (a) No. 1 size (which ride U.S. No. 1 screens), 17.92 cents per lb.

(b) Splits (separated halves which will not pass through screens with $\frac{1}{8}$ " round openings for Runner and Virginia and $\frac{1}{4}$ " round openings for Spanish and Valencia), 17.66 cents per lb.

(c) Whole kernels (which will not pass through screens of the following size openings: Virginia $\frac{1}{4}$ " x $\frac{1}{4}$ " slot, Runner $\frac{1}{4}$ " x $\frac{1}{4}$ " slot, Spanish $\frac{1}{4}$ " x $\frac{1}{4}$ " slot), 17.12 cents per lb.

(d) Fall through, 6.42 cents per lb.

[F.R. Doc. 65-7928; Filed, July 27, 1965; 8:46 a.m.]

DEPARTMENT OF COMMERCE

Maritime Administration

AMERICAN PRESIDENT LINES, LTD.

Notice of Application

Notice is hereby given that American President Lines, Ltd., has filed application dated June 29, 1965, for written permission under section 805(a) of the Merchant Marine Act, 1936, as amended, to carry passengers, their baggage and automobiles on its Round-the-World Service with the combination passenger/cargo vessel, "SS President Roosevelt", from Port Everglades, Fla., to California ports, commencing on or about January 20, 1966, through June 30, 1968.

Interested parties may inspect this application in the Office of Government Aid, Maritime Administration, Room 4077, GAO Building, 441 G Street NW., Washington, D.C.

Any person, firm or corporation having any interest (within the meaning of section 805(a)) in such application and desiring to be heard on issues pertinent to section 805(a) or submit a written statement with reference to the application must, before the close of business August 13, 1965, make such submission or notify the Secretary, Maritime Subsidy Board/Maritime Administration, in writing, in triplicate, and file petition for leave to intervene which shall state clearly and concisely the grounds of interest, and the alleged facts relied on for relief. Notwithstanding anything in § 201.78 of the rules of practice and procedure, Maritime Subsidy Board/Maritime Administration (46 CFR 201.78) petitions for leave to intervene received after the close of business August 13, 1965, will not be granted in this proceeding.

If no petitions for leave to intervene are received within the specified time, the Maritime Subsidy Board/Maritime Administration will take such action as may be deemed appropriate.

In the event petitions are received from parties with standing to be heard on the application, a hearing will be held August 18, 1965, at 10 a.m., in Room 4519, General Accounting Office Building, 441 G Street NW., Washington, D.C. The purpose of the hearing will be to receive evidence under section 805(a) relative to whether the proposed operation (a) could result in unfair competition to any person, firm or corporation operating exclusively in the coastwise or inter-

coastal service or (b) would be prejudicial to the objects and policy of the Act.

Dated: July 22, 1965.

By order of the Maritime Subsidy Board/Maritime Administration.

JAMES S. DAWSON, Jr.,
Secretary.

[F.R. Doc. 65-7931; Filed, July 27, 1965; 8:47 a.m.]

[Trade Route No. 16]

ESSENTIALITY AND UNITED STATES FLAG SERVICE REQUIREMENTS

Conclusions and Determinations

Notice is hereby given that on July 20, 1965, the Acting Deputy Maritime Administrator, acting pursuant to section 211 of the Merchant Marine Act, 1936, as amended, found and determined the essentiality and U.S. flag service requirements of U.S. foreign Trade Route No. 16 and ordered that the following conclusions and determinations reached by the Maritime Administrator with respect to said trade route be published in the FEDERAL REGISTER:

1. Trade Route No. 16 as described below is reaffirmed as an essential foreign trade route of the United States:

Trade Route No. 16—U.S. Atlantic and Gulf/Australia-New Zealand. Between U.S. Atlantic and Gulf ports (Maine-Texas, inclusive) and ports in Australia, New Zealand, New Guinea, and South Sea Islands within the general area, via the Panama Canal.

2. Requirements for U.S. flag operations on Trade Route No. 16 are approximately two sailings per month.

3. Existing freighters of the C-2 and C-3 types are suitable for interim operation. Replacement vessels should be superior in speed, and carrying capacity and generally comparable to new C-4 types, with adequate provision for the carriage of refrigerated cargo and liquid bulk cargo.

Dated: July 20, 1965.

By order of the Acting Deputy Maritime Administrator.

JAMES S. DAWSON, Jr.,
Secretary.

[F.R. Doc. 65-7932; Filed, July 27, 1965; 8:47 a.m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of Education

NOTICE OF OFFICE OF EDUCATION STATEMENT OF POLICY

Notice is hereby given of the following Statement of Policy of the Office of Education:

Material produced as a result of any research activity undertaken with any financial assistance through contract with or project grant from the Office of Education will be placed in the public

domain. Materials so released will be available to conventional outlets of the private sector for their use.

This policy is effective immediately.

Dated: July 12, 1965.

FRANCIS KEPPEL,
U.S. Commissioner of Education.

[P.R. Doc. 65-7910; Filed, July 27, 1965;
8:48 a.m.]

CIVIL AERONAUTICS BOARD

[Docket 15073]

DEUTSCHE LUFTHANSA AKTIENGESELLSCHAFT (LUFTHANSA GERMAN AIRLINES)

Notice of Oral Argument

Notice is hereby given, pursuant to the provisions of the Federal Aviation Act of 1958, as amended, that oral argument in the above-entitled matter is assigned to be held on August 2, 1965, at 10 a.m., e.d.s.t., in Room 1027, Universal Building, Connecticut and Florida Avenues NW., Washington, D.C., before the Board.

Dated at Washington, D.C., July 23, 1965.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[P.R. Doc. 65-7956; Filed, July 27, 1965;
8:48 a.m.]

[Docket No. 15726; Order E-22461]

DOMESTIC SERVICE MAIL RATE CASE

Statement of Provisional Findings and Conclusions and Order To Show Cause

JULY 21, 1965.

On December 2, 1964, the Postmaster General filed a petition reopening the service mail rates established by Order E-9284, June 7, 1955 (21 CAB 8), which apply on a systemwide basis to American Airlines, Inc., Continental Air Lines, Inc., Eastern Air Lines, Inc., National Airlines, Inc., Northeast Airlines, Inc., United Air Lines, Inc., and Western Air Lines, Inc., and to Braniff Airways, Inc., Delta Air Lines, Inc., Northwest Airlines, Inc., and Trans World Airlines, Inc., to the extent of their interstate operations not involving Alaskan points and services between domestic points and terminal points in Canada. The rates so established were also extended by Order E-10321, May 25, 1956 (23 CAB 988), to cover the services of the three domestic cargo carriers¹ on a systemwide basis; and by Order E-21514, November 19, 1964, to the mainland-Hawaii services of Pan American World Airways, Inc., and Northwest Airlines, Inc. The Postmaster General's petition also applies to the rates for these services.

Subsequent to the filing of his petition, the Postmaster General announced plans to seek authority for basic changes in air mail and first-class mail services.

In essence, it is proposed to merge air-mail and first-class mail into a single class of mail. This mail would be transported by whatever means are most appropriate with the object of obtaining overnight delivery for 95 percent of all such mail. Legislation conferring authority to implement this plan, which will be hereafter referred to as the priority mail plan, is expected to be recommended to the Congress soon. If the plan is enacted, the volume of mail moving by air would substantially increase, rendering any rate predicated on current volumes and procedures obsolete. Thus, if this proceeding were to go through a full formal hearing, it is likely that the rates would remain open for an extended period pending reestablishment of final rates, although such rates would have little prospective application.

On May 7, 1965, United filed a motion proposing termination of the proceeding pursuant to an offer of voluntary rate reduction. Its proposal contemplated that the linehaul element of the current multi-element rate would be cut by 10 percent from 30.17 cents per ton-mile to 27.15 cents per ton-mile. The current scale of terminal charges would remain unchanged. Such a reduction would result in savings to the Post Office Department of approximately \$5,000,000 based on 1964 volumes or about eight percent of the total payments to air carriers for the transportation of domestic air mail.² United proposed that the revised rates be made effective on and after July 18, 1965. Answers supporting United's motion were filed by American and Eastern. In addition the Postmaster General filed an answer stating that he would not object to the expeditious termination of the proceeding on the basis of United's proposal. An answer was also filed by Slick stating that it could not agree to termination of the current proceeding unless adequate provisions were made for the future ascertainment of mail costs and the establishment of mail rates based on such costs. No other carrier filed an answer to United's motion.

In response to United's motion, an informal mail rate conference was convened pursuant to the Board's rules of practice to discuss the possibility of an informal disposition of this matter. All interested parties were invited to that conference. The Post Office Department and all carriers except Slick and Tiger found it acceptable to terminate the proceeding on the basis of United's proposal effective June 19, 1965. The two cargo carriers noted objections only to the establishment of such rate on an indefinite basis and termination of the pending proceeding without at the same time establishing procedures under which a definitive costing of the mail service would be assured in the near future. Subsequent advice from these two carriers confirmed their insistence that a rate based on United's proposal terminate not later than December 31, 1966.

² See appendix 2 for a summary of the service mail pay of each carrier under both the current and proposed rates.

On June 17, 1965, or slightly more than a month after the May 14 informal conference, Tiger filed a motion proposing that the proceeding be terminated on the basis of a much greater rate reduction than that proposed by United. Tiger proposed a single element rate of 18.5 cents per ton-mile for all mail originating at class A stations and, in the case of mail originating at class B, C, and D stations, a multi-element rate consisting of a linehaul charge of 18.5 cents per ton-mile and a station element consisting of the difference between the existing class A terminal charge and the existing class B, C, and D terminal charges. Thus, Tiger proposes a reduction of almost 50 percent in the current rate. However, as Tiger's motion notes, in order to form the basis for a voluntary settlement of the proceeding, the proposal must be acceptable to most of the carriers. However, only Slick supports the Tiger proposal, and Slick and Tiger together carry less than 1 percent of all domestic priority mail and serve only some 12 class A stations. On the other hand, American, United, Delta, TWA, National, Northwest, and Eastern have filed answers to Tiger's motion making it clear that they are unwilling to agree to a settlement based on the rate proposed therein. These answers characterize Tiger's motion as frivolous and as being related to other than mail rate considerations. The answers note that Tiger's proposed rate is based on a costing theory which the Board has not heretofore used for mail and allege that Tiger's cost data are, at best, relevant only to the long-haul high traffic generating markets served by the cargo carriers. It is also alleged that Tiger's rate fails adequately to reflect the priority treatment accorded air mail.

The Post Office Department has also filed an answer to Tiger's motion. While the Department would accept rates as low as those proposed by Tiger, it takes note of the fact that the carriers which carry most of the priority mail are unwilling to agree to a settlement based on such rate. The Department believes that it is important now to examine the cost and other factors involved in mail service under the proposed priority mail plan and that this would be facilitated by the establishment of new final rates for the interim period before the plan is effected. Accordingly, notwithstanding Tiger's motion, the Department continues to find United's proposal acceptable to it as a basis for settling the existing proceeding.

On the basis of the settlement discussions at and subsequent to the informal mail rate conference between the staff, the carriers, and the Post Office Department, and in consideration of the pleadings herein and relevant cost and other data available to the Board, we have determined to issue a show cause order embodying a new final domestic service mail rate to be effective June 19, 1965,³ reflecting a 10 percent reduction in the linehaul element of the current multi-

³ The proposed rates cannot be made effective for the local service carriers on June 19, 1965, since their rates are not now open. Accordingly, in the case of these carriers the rate will be made effective August 14, 1965.

¹ Airlift International, Inc., The Flying Tiger Line Inc., and The Slick Corp.

element rate subject, however, to a termination date of December 31, 1966.* We have also decided to institute a new proceeding which will be concerned with the determination of the costs of the mail service and the ultimate establishment of final service rates for periods subsequent to December 31, 1966. These actions will afford a suitable means of achieving the ultimate objectives of the parties on a fair and equitable basis.

In taking our action herein, the Board has relied primarily on the fact that the interim rate appears to be acceptable to the Department which pays for the service and the carriers which perform over 99 percent of the service. The reduction proposed also appears to be consistent with cost patterns revealed by data on file with the Board. Revenue ton-mile costs, the traditional basis for costing mail, as shown in appendix 3 have increased since 1954 by about six percent for the trunklines as a group. On the other hand, there has been a decrease in available ton-mile costs (see appendix 3) so that current available ton-mile costs are approximately 12 percent below 1954 levels. Obviously, the trend of revenue ton-mile costs would have also been downward but for the decline in load factors, and that such downward trend of such costs would have been somewhat less than the 12-percent decline in available ton-mile costs.

The proposed settlement would be a favorable disposition from the government's point of view giving consideration to the fact that application of the costing techniques heretofore employed would indicate an increase rather than a decrease in rates. Of course, it is recognized that the Post Office Department in its petition has mounted a substantial challenge to this costing basis, met, however, by the carriers' equally vigorous defense of the revenue ton-mile cost basis. Notwithstanding their disagreements as to the appropriate basis for costing the mail service, most, if not all, of the carriers and the Post Office have been able to accept the rate level proposed herein. The Board has given substantial weight to this fact as an indication that the rate proposed is fair and reasonable. There is no reason to believe that the positions taken by the Post Office Department and the carriers are anything other than a fair reflection of their respective interests as ratepayer and carrier. Nor does it appear that settlement along the lines proposed is in any way contrary to the objective of section 406 or otherwise contrary to the public interest.²

*The show cause order contains the customary provision for filing notices of objection and written answers. The order provides that the Board may, if it deems it appropriate, finalize the rate for the nonobjecting carriers while leaving the carriers finding it necessary to object on an open rate status.

²It may be noted that protracted open rate period, which would result from a continuation of the pending proceeding, would leave the earnings position of the airline industry uncertain with undesirable consequences for both management and investors. Similarly the Post Office Department would not know its budgetary requirement for airmail transportation.

Although the Postmaster General's petition did not reopen the service rate applying to the local service carriers under Order E-9630, October 7, 1955 (21 CAB 894), which is the same as the trunkline rate, the Board has decided to continue the policy of providing like pay for like services and include the local service carriers under the interim rate.³ We will also extend the geographical scope of the interim rate to cover the services of certain carriers to the so-called "stub-end" points; i.e., Mexico City and Monterey, Mexico, and San Juan, P.R. Application of the domestic multiple rate to these services by Braniff, Delta, and Pan American, which are now covered by the international rate, will provide for the same rate as will be applicable to other carriers serving these points.⁴

The Board has also concluded that it is appropriate to undertake a detailed costing of the mail service directed not only at current mail services but those which would be entailed in the priority mail program. Accordingly, the Board is concurrently herewith instituting a proceeding to fix and determine the service mail rates after December 31, 1966. It is expected that procedures for the conduct of the investigation will be formulated in the near future and all carriers will participate fully.

One further aspect of this matter warrants comment. One carrier has sought to link the proposed interim service mail rate settlement with proposed increases in certain airfreight rates. The Board wishes to make clear that its determination to issue the instant order is based solely upon the facts and considerations relevant to the domestic service mail rates, and any airfreight tariff filings will be treated as a separate matter.

Conclusions. On the basis of the foregoing, the Board has reached the following conclusions:

Carrier	Market	Time Period	Rate
Delta Air Lines, Inc.	New Orleans-San Juan	June 30, 1964-June 18, 1965	37.80¢ per ton-mile
Braniff Airways, Inc.	San Antonio-Mexico City	June 30, 1964-June 18, 1965	39.66¢ per ton-mile
Pan American World Airways, Inc.	New York-San Juan	June 30, 1964-June 18, 1965	34.31¢ per ton-mile
	Miami-San Juan	June 30, 1964-June 18, 1965	36.54¢ per ton-mile
	Philadelphia-San Juan	June 30, 1964-June 18, 1965	34.46¢ per ton-mile
	Baltimore-Washington-San Juan	June 30, 1964-June 18, 1965	34.42¢ per ton-mile
	Boston-San Juan	June 30, 1964-June 18, 1965	37.58¢ per ton-mile
	Houston-Mexico City	December 3, 1964-June 18, 1965	17.0075¢ per pound enplaned
	Houston-Mexico City	June 30, 1964-December 2, 1964	55.10¢ per ton-mile

(8) The fair and reasonable rates of compensation to be paid by the Postmaster General for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith to:

American Airlines, Inc.
Continental Air Lines, Inc.

*A motion to expand the scope of the proceeding to cover the local service rates was filed by the Bureau of Economic Regulation, but has not been acted upon. Motions to consolidate into this proceeding petitions by Tiger in Docket 10046 and Slick in Dockets 6599, 7931, and 10920 proposing certain mail rate reductions have been filed by the carriers. In view of the disposition proposed herein, such petitions will be dismissed, without prejudice.

⁴American, Eastern, and Western.

(1) The proceeding in Docket No. 15726 shall be terminated:

(2) The petition of The Flying Tiger Line Inc., in Docket No. 10046, and the petition of The Slick Corp. in Docket Nos. 6599, 7931, and 10920 shall be dismissed, without prejudice.

(3) The petition of Delta Air Lines, Inc., in Docket No. 15954, seeking equalization of mail rates applying between San Juan, P.R., and certain domestic points shall be dismissed.

(4) The rates established by paragraph B(1) of Order E-21514, November 19, 1964, applicable to interstate shipments of mail originating at or destined for Honolulu, Hawaii, performed by Pan American World Airways, Inc., and Northwest Airlines, Inc., shall be superseded by the rates established by the final order herein.

(5) The rates established by the final order herein shall supersede those established by Orders E-20744, April 27, 1964 (Braniff, San Antonio-Mexico City), E-20839, May 20, 1964 (Delta, New Orleans-San Juan), E-13651, March 23, 1959 (Pan American, Philadelphia, Baltimore-Washington, Boston-San Juan), E-21553, December 3, 1964 (Pan American, Houston-Mexico City), and such orders shall be canceled.

(6) Order E-9695, October 27, 1955, insofar as it applies to the airmail services of Pan American World Airways, Inc., between New York and Miami, on the one hand, and San Juan, P.R., on the other, shall be superseded by the final order issued herein.

(7) The fair and reasonable rates of compensation to be paid by the Postmaster General for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith to the carriers, for services between the points, and for the periods of time indicated below are as follows:

Eastern Air Lines, Inc.
National Airlines, Inc.
Northeast Airlines, Inc.
United Air Lines, Inc.
Western Air Lines, Inc.
Airlift International, Inc.
The Flying Tiger Line Inc.
The Slick Corp.

for operations over their entire systems and

Braniff Airways, Inc.
Delta Air Lines, Inc.
Northwest Airlines, Inc.
Pan American World Airways, Inc.
Trans World Airlines, Inc.

for operations over their routes within the 48 contiguous States and the District of Columbia insofar as authorized under certificates for interstate air transportation, and over their routes

between points within the 48 contiguous States and the District of Columbia, on the one hand, and, on the other, Honolulu, Hawaii, and terminal points in Canada, during the period December 2, 1964, through June 18, 1965, are the rates stated in Order E-9284, June 7, 1955, as amended.

(9) The fair and reasonable rates of compensation to be paid by the Postmaster General for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith to:

American Airlines, Inc.
Continental Air Lines, Inc.
Eastern Air Lines, Inc.
National Airlines, Inc.
Northeast Airlines, Inc.
United Air Lines, Inc.
Western Air Lines, Inc.
Airlift International, Inc.
The Flying Tiger Line Inc.
The Slick Corporation
Allegheny Airlines, Inc.
Bonanza Air Lines, Inc.
Central Airlines, Inc.
Frontier Airlines, Inc.
Lake Central Airlines, Inc.
Mohawk Airlines, Inc.
North Central Airlines, Inc.
Ozark Air Lines, Inc.
Pacific Air Lines, Inc.
Piedmont Aviation, Inc.
Southern Airways, Inc.
Trans-Texas Airways, Inc.
West Coast Airlines, Inc.

for operations over their entire systems as constituted on or subsequent to June 19, 1965* and

Braniff Airways, Inc.
Delta Air Lines, Inc.
Northwest Airlines, Inc.
Pan American World Airways, Inc.
Trans World Airlines, Inc.

for operations over their routes within the 48 contiguous States and the District of Columbia insofar as authorized under certificates for interstate air transportation, and over their routes between points within the 48 contiguous States and the District of Columbia, on the one hand, and, on the other, Honolulu, Hawaii, Mexico City, Mexico, Monterey, Mexico, San Juan, Puerto Rico, and terminal points in Canada, which are in effect on or subsequent to June 19, 1965, are set forth below.

On and after June 19, 1965, but not beyond December 31, 1966, the mail compensation for each carrier shall be paid monthly or at such lesser interval as may be agreed upon by the carrier and the Post Office Department and shall be computed by obtaining the sum of (1) the line-haul charges, and (2) the terminal charges, computed as follows:

1. **Line-haul charges.** The line-haul charge shall be the product of the mail ton-miles times the line-haul rate of 27.15 cents per mail ton-mile. The mail ton-miles for each shipment of mail shall be based upon the standard mileage established herein for service between the points of origin and destination of each shipment.

The standard mileage for each such pair of points shall be the shortest di-

rect airport-to-airport mileage of that schedule or combination of schedules or parts of schedules, without regard to direction of flight, designated by the Postmaster General for the carriage of mail as of May 1, 1965, of the single certificated mail carrier affording the shortest mileage between such pair of points, subject to the following provisions:

(a) The standard mileage for each pair of points shall be determined in the manner described above, on the basis of the designated schedules as of the first of May of each year. The standard mileages currently in effect under Order E-9284, June 7, 1955, as amended, shall continue in effect through October 8, 1965. Thereafter, the standard mileages so determined as of the first of May of each year shall take effect on the first day of the first postal accounting period beginning in the following October.

(b) If, after the first day of May preceding the commencement of each fiscal year there is a change in the airport through which a particular point is served, or service to a new point is instituted, the standard mileage for each pair of points affected thereby shall be determined, in the manner described above, on the basis of the designated schedules in effect as of the date of the change of airport or the service to the new point is instituted, such standard mileage to remain in effect until redetermined as provided for above.

(c) In the case of any community served through more than one airport, the provisions of this formula shall be applied as if the community were served by only one airport and that airport shall be the one having the greatest total number of scheduled departures of domestic flights during the month of May preceding the commencement of each fiscal year by air carriers certificated to transport mail; *Provided, however,* That in any case where one of the multi-airports other than the controlling airport has a flight (or flights) which would produce a shorter distance to a given point, if the mileage for such flight (or flights) were computed from the controlling airport, than the flights actually serving the controlling airport, the standard mileage shall be computed as if such flight (or flights) serves the controlling airport.

2. **Terminal charges.** (a) The terminal charge for each shipment of mail shall be the product of the pounds of mail in each shipment times the terminal rate per pound set forth below for the station of origin of the mail shipment:

Station of origin:	Terminal rate per pound (cents)
Class A.....	8.32
Class B.....	6.64
Class C.....	9.96
Class D.....	33.21

(b) The stations included in each of the foregoing station classes shall be as specified in Appendix No. 1, provided, however, that any station not listed in said appendix shall be classified as a Class "C" station.

(c) At any time, the Board upon its own initiative may institute a proceeding,

and any party may make application to the Board for change in the classification of any station, without disturbing the overall rate and rate structure, on the ground that the total revenue tons enplaned at the station in question during the most recent 12-month period preceding the filing of such application bring the station within a different class based upon the classifications set forth in the note below. Such application will not be regarded as reopening the rate provided that it raises only the factual question as to the total tons enplaned at the particular station and does not challenge the limits of the station classifications provided herein.

Applications provided for above shall be clearly entitled "Application for Change in Classification of Station," shall contain a clear and concise statement of the requested classification change and the facts upon which such request is based, and shall in all other respects conform to the applicable requirements of the rules of practice. Any order changing a station classification shall take effect as of the first day of the first postal accounting period following the filing of the application, unless the application is filed on the first day of a postal accounting period in which event the order shall be effective as of the date of filing of the application.

3. **Definitions.** As used herein "station (or point) of origin" means the station at which the carrier first enplanes the mail shipment after receipt thereof from the Post Office Department or its representatives, from another rate-making division of the same carrier, the operations of which division are not encompassed herein, or from another carrier; and "station (or point) of destination" means the station at which the carrier deplanes the mail shipment for delivery to the Post Office Department or its representatives, to a separate rate-making division of the same carrier, the operations of which division are not encompassed herein, or to another carrier. When a mail shipment is transported between domestic (including terminal points in Canada) and international or overseas points (excluding terminal points in Canada) of a carrier, the entire system of which is encompassed herein, the last scheduled station in the domestic operations (including terminal points in Canada) departed on the way to the international or overseas destination and the first scheduled station in the domestic operations (including terminal points in Canada) entered on the way from the international or overseas origination shall be considered both a "station (or point) of destination" and a "station (or point) of origin" even though the mail does not pass through the airport mail facility at such station. Each interchange point on a through

Classes of stations:	Revenue tons all traffic enplaned per year
A.....	7,000 and over.
B.....	750-6,999.
C.....	60-749.
D.....	59 or less.

* In the case of the local service carriers such rates shall be made effective Aug. 14, 1965, since their rates are not now open.

flight of two or more carriers flown pursuant to an interchange agreement shall not be considered as a separate point of origin and destination. Except as otherwise stated above, a point at which a mail shipment is transferred from one flight to another flight of the same carrier shall not be considered as a point of origin or point of destination for such shipment.

4. *Equalization of rates.* (a) Any carrier, or pursuant to agreement, any two or more carriers providing service on an interline or interchange basis, may, by notice, elect to transport mail, including transatlantic or transpacific mail dispatched from an international exchange office²⁰ and subject to other rate orders, between stated points served by such carrier or carriers at a reduced rate equal to the rate then in effect for such service between such points by any other carrier or carriers.

(b) In the case of equalization of rates by agreement pursuant to (a) above the agreement shall provide for the proration of the mail compensation by the participating carriers on the basis of the relative compensation which would otherwise be payable to each carrier in the absence of the provisions of paragraph (a).

(c) In the absence of an agreement among carriers, pursuant to (a) above, for equalization of rates for interline shipments, including transatlantic or transpacific shipments dispatched from an international exchange office and subject to other rate orders, between a stated pair of points, any carrier (or two or more carriers jointly) may, by notice, elect to receive as its portion of the total compensation for each such shipment the amount remaining after subtracting from such total compensation the compensation due the other carrier or carriers involved (nonelecting carriers). Such total compensation shall be computed on the basis of the lowest rate then in effect for service between the stated pair of points for any carrier or carriers. The compensation due the nonelecting carrier or carriers shall be determined on the basis of all the provisions of this formula.

In those instances where two or more carriers elect to receive payment under this provision, the total payment due such carriers shall be prorated by them on the basis of the relative compensation which would otherwise be payable to each carrier in the absence of the provisions of this paragraph.

(d) In the event that any carrier is unable to enter into an agreement with any other carrier to transport mail, including transatlantic or transpacific mail dispatched from an international exchange office and subject to other rate orders, between any stated points at a reduced rate pursuant to paragraphs (a)

and (b) and elects initially to accept compensation as provided in paragraph (c), it may file an application with the Board requesting it to determine and fix a different method of apportioning the total compensation for each such shipment of mail between the participating carriers. In reviewing such applications, the Board will consider, among other pertinent factors, the need for the proposed service, the historical participation of the electing carrier or carriers in the transportation of mail between such stated points, the amount of absorption required, and the grounds for refusal by the carrier or carriers to enter into an equalization agreement. After hearing the carriers concerned, either orally or in writing, in those cases where it deems such action appropriate the Board will by order prescribe the method for apportioning the total compensation between such carriers, but in no event shall the carrier or carriers refusing to enter into an agreement to equalize compensation be required to accept less than the compensation which would have been payable if the service were performed under voluntary agreement pursuant to paragraphs (a) and (b).

(e) An original and 3 copies of each notice of election and agreement and an original and 19 copies of each application, under this section 4 shall be filed with the Board and a copy thereof shall be served upon the Postmaster General and each carrier providing service between the stated points. Applications filed pursuant to paragraph (d) shall not be deemed to reopen the mail rates or rate structure prescribed herein. All notices and agreements outstanding under Orders E-9284 and E-9630 as of June 18, 1965, shall continue in effect under this order until canceled as provided herein.

Any rate established pursuant to paragraphs (a), (b), or (c) shall be effective for the electing carrier or carriers as of the date of filing of the notice required by such paragraphs, or such later date as may be specified in the notice, until said election is terminated. *Provided, however,* That in no event shall any such rates be effective prior to June 19, 1965. Elections may be terminated by any electing carrier upon 10 days notice filed with the Board, as aforesaid, and served upon the Postmaster General and each carrier providing service between the stated points.

Applications filed pursuant to paragraph (d) shall conform generally to the provisions of the rules of practice governing the filing of petitions in mail rate cases. Within 7 days after the application is served, any party may file an answer in support of or in opposition to the application together with any documentary material upon which it relies. Any order upon such application pursuant to paragraph (d) shall be effective no earlier than the date of filing of the application with the Board: *Provided,* That in no event shall any such rates be effective prior to June 19, 1965.

The foregoing rates do not apply to the transportation of first class and other preferential mail (other than air mail and air parcel post) for which a separate

rate has been or hereafter may be established.

Nothing stated herein shall prevent the reopening of any rate established herein prior to December 31, 1966, by the Postmaster General, by interested carrier, or the Board.

Accordingly, pursuant to the Federal sections 204(a) and 406 thereof, and Aviation Act of 1958, and particularly pursuant to the regulations promulgated in 14 CFR Part 302,

It is ordered, That:

1. All interested persons, and particularly American Airlines, Inc., Continental Air Lines, Inc., Eastern Air Lines, Inc., National Airlines, Inc., Northeast Airlines, Inc., United Air Lines, Inc., Western Air Lines, Inc., Airlift International, Inc., The Flying Tiger Line Inc., The Slick Corp., Allegheny Airlines, Inc., Bonanza Air Lines, Inc., Central Airlines, Inc., Frontier Airlines, Inc., Lake Central Airlines, Inc., Mohawk Airlines, Inc., North Central Airlines, Inc., Ozark Air Lines, Inc., Pacific Air Lines, Inc., Piedmont Aviation, Inc., Southern Airways, Inc., Trans-Texas Airways, Inc., West Coast Airlines, Inc., Braniff Airways, Inc., Delta Air Lines, Inc., Northwest Airlines, Inc., Pan American World Airways, Inc., and Trans World Airlines, Inc., and the Postmaster General, are directed to show cause why the Board should not adopt the foregoing proposed findings and conclusions and fix, determine, and publish the final rates specified in the above statements as the fair and reasonable rates of compensation to be paid to American Airlines, Inc., Continental Air Lines, Inc., Eastern Air Lines, Inc., National Airlines, Inc., Northeast Airlines, Inc., United Air Lines, Inc., Western Air Lines, Inc., Airlift International, Inc., The Flying Tiger Line Inc., The Slick Corp., Allegheny Airlines, Inc., Bonanza Air Lines, Inc., Central Airlines, Inc., Frontier Airlines, Inc., Lake Central Airlines, Inc., Mohawk Airlines, Inc., North Central Airlines, Inc., Ozark Air Lines, Inc., Pacific Air Lines, Inc., Piedmont Aviation, Inc., Southern Airways, Inc., Trans-Texas Airways, Inc., West Coast Airlines, Inc., Braniff Airways, Inc., Delta Air Lines, Inc., Northwest Airlines, Inc., Pan American World Airways, Inc., and Trans World Airlines, Inc., for the transportation of priority mail by aircraft, the facilities used and useful therefor, and the services connected therewith over their systems as specified in the statement.

2. Further procedures herein shall be in accordance with the rules of practice, 14 CFR Part 302, and if there is any objection to the rates or to the other findings and conclusions specified in the statement, notice thereof shall be filed within 10 days, and, if notice is filed, written answer and supporting documents shall be filed within 30 days, after the date of service of this order.

3. If notice of objection is not filed within 10 days, or if notice is filed and answer is not filed within 30 days, after service of this order, all persons shall be deemed to have waived the right to a hearing and all other procedural steps short of a final decision by the Board, and the Board may enter an order fixing

²⁰ International exchange offices currently authorized to dispatch mail for the transatlantic area are located in Boston, New York, Washington, Chicago, Miami, San Francisco, Los Angeles, Seattle, and San Juan. Such offices for the transpacific area are currently located in Seattle, Anchorage, San Francisco, Los Angeles, Honolulu, Wake, Guam, Pago Pago, Washington, Chicago, and New York.

the rates and incorporating the findings and conclusions specified in the statement, *Provided*, That if notice of objection and answer are filed by any carrier or carriers, the Board may enter an order fixing the rate specified in the statement for such carriers as have not filed notice of objection or, having filed such notice, have not filed timely answer; and

5. This order and the above Statement of Provisional Findings and Conclusions shall be served upon the Postmaster General, American Airlines, Inc., Continental Air Lines, Inc., Eastern Air Lines, Inc., National Airlines, Inc., Northeast Airlines, Inc., United Air Lines, Inc., Western Air Lines, Inc., Air-lift International, Inc., The Flying Tiger Line Inc., The Slick Corp., Allegheny Airlines, Inc., Bonanza Air Lines, Inc., Central Airlines, Inc., Frontier Airlines, Inc., Lake Central Airlines, Inc., Mohawk Airlines, Inc., North Central Airlines, Inc., Ozark Air Lines, Inc., Pacific Air Lines, Inc., Piedmont Aviation, Inc., Southern Airways, Inc., Trans-Texas Airways, Inc., West Coast Airlines, Inc., Braniff Airways, Inc., Delta Air Lines, Inc., Northwest Airlines, Inc., Pan American World Airways, Inc., and Trans World Airlines, Inc.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.¹²

[SEAL] HAROLD R. SANDERSON,
Secretary.

CLASSIFICATION OF STATIONS FOR DETERMINATION OF TERMINAL CHARGES

CLASS A STATIONS¹

Akron/Canton, Ohio.
Albany, N.Y.
Albuquerque, N. Mex.
Amarillo, Tex.
Atlanta, Ga.
Augusta, Ga.
Austin, Tex.
Baltimore, Md.
Billings, Mont.
Birmingham, Ala.
Boise, Idaho.
Boston, Mass.
*Bristol, Va./Kingsport/Johnson City, Tenn.
Buffalo/Niagara Falls, N.Y.
Cedar Rapids, Iowa.
Charleston, S.C.
Charleston/Dunbar, W. Va.
Charlotte, N.C.
Chattanooga, Tenn.
Chicago, Ill.
Cincinnati, Ohio.
Cleveland, Ohio.
Columbia, S.C.
Columbus, Ohio.
Corpus Christi, Tex.
Dallas, Tex.
Dayton/Springfield, Ohio.
Denver, Colo.
Des Moines, Iowa.
Detroit/Ann Arbor, Mich.
El Paso, Tex.
*Erie, Pa.
Evansville, Ind.
Fort Wayne, Ind.
Fresno, Calif.
Grand Rapids, Mich.
Greensboro/High Point/Winston-Salem, N.C.

Greenville/Spartanburg, S.C.
Hamilton, Bermuda
Harrisburg/York, Pa.
Hartford, Conn./Springfield, Mass.
Honolulu, Hawaii.
Houston, Tex.
Huntsville, Ala.
Indianapolis, Ind.
Jackson, Miss.
Jacksonville, Fla.
Kansas City, Mo.
Knoxville, Tenn.
Las Vegas, Nev.
Little Rock, Ark.
Los Angeles, Calif.
Louisville, Ky.
Lubbock, Tex.
Madison, Wis.
Memphis, Tenn.
Mexico City, Mexico.
Miami, Fla.
Midland/Odessa, Tex.
Milwaukee, Wis.
Minneapolis/St. Paul, Minn.
Mobile, Ala.
Moline, Illinois/Davenport, Iowa.
Monterey/Saltinas, Calif.
Montreal, Canada.
Nashville, Tenn.
New Orleans, La.
New York, N.Y.
Newark, N.J.
Newport News/Hampton, Va.
Norfolk, Va.
Oakland, Calif.
Oklahoma City, Okla.
Omaha, Nebr.
Orlando, Fla.

Aberdeen, S. Dak.
Abilene, Tex.
Albany, Ga.
Alexandria, La.
Allentown/Bethlehem/Easton, Pa.
Altoona, Pa.
Annisston, Ala.
*Appleton, Wis.
Asheville, N.C.
*Athens, Ga.
Atlantic City, N.J.
Bakersfield, Calif.
Bangor, Maine.
Baton Rouge, La.
Battle Creek, Mich.
Beaumont/Port Arthur, Tex.
Beloit/Janesville, Wis.
Benton Harbor/St. Joseph, Mich.
Bismarck/Mandan, N. Dak.
Bradford, Pa.
Bridgeport, Conn.
*Brownsville, Tex.
Brunswick, Ga.
Burlington, Iowa.
Burlington, Vt.
Butte, Mont.
Calgary, Canada.
Casper, Wyo.
Champaign/Urbana, Ill.
Charlottesville, Va.
Cheyenne, Wyo.
Clarksburg/Fairmont, W. Va.
Colorado Springs, Colo.
Columbia, Mo.
Columbus, Ga.
Columbus, Miss.

*Pensacola, Fla.
*Peoria, Ill.
Philadelphia, Pa.
Phoenix, Ariz.
Pittsburgh, Pa.
Portland, Oreg.
Providence, R.I.
Raleigh/Durham, N.C.
Reno, Nev.
Richmond, Va.
Roanoke, Va.
Rochester, N.Y.
Sacramento, Calif.
*Saginaw/Bay City/Midland, Mich.
St. Louis, Mo.
Salt Lake City/Ogden, Utah.
San Antonio, Tex.
San Diego, Calif.
San Francisco, Calif.
San Juan, Puerto Rico.
Scranton/Wilkes-Barre, Pa.
Seattle/Tacoma, Wash.
Shreveport, La.
*Sioux Falls, S. Dak.
South Bend, Ind.
Spokane, Wash.
Syracuse, N.Y.
Tampa/St. Petersburg/Clearwater, Fla.
Toledo, Ohio.
Tucson, Ariz.
Tulsa, Okla.
Vancouver, British Columbia.
Washington, D.C.
West Palm Beach/Palm Beach, Fla.
Wichita, Kans.
Youngstown, Ohio.

CLASS B STATIONS¹
Daytona Beach, Fla.
Decatur, Ill.
Dothan, Ala.
Dubuque, Iowa.
Duluth, Minn.
Durango, Colo.
Eau Claire, Wis.
Eglin AFB, Fla.
El Centro/Imperial, Calif.
Elmira/Corning, N.Y.
Eugene, Oreg.
Eureka/Arcata, Calif.
Fargo, N. Dak.
Farmington, N. Mex.
Fayetteville, Ark.
Fayetteville, N.C.
Flagstaff, Ariz.
Flint, Mich.
Florence/Sheffield/Tusculumbia, Ala.
Florence, S.C.
Fort Dodge, Iowa.
Fort Lauderdale, Fla.
Fort Leonard Wood, Mo.
Fort Myers, Fla.
Fort Smith, Ark.
Fort Worth, Tex.
Glens Falls, N.Y.
Grand Forks, N. Dak.
*Grand Island, Nebr.
Grand Junction, Colo.
Great Falls, Mont.
Green Bay, Wis.
Greenville, Miss.
Guilford/Biloxi, Miss.
Harlingen/San Benito, Tex.

Helena, Mont.
*Hickory, N.C.
Hot Springs, Ark.
Huntington, W. Va./Ashland, Ky.
Huron, S. Dak.
Idaho Falls, Idaho.
*Iron Mountain/Kingsford, Mich.
Islip, N.Y.
Ithaca/Cortland, N.Y.
Jamestown, N.Y.
*Jefferson City, Mo.
Joplin, Mo.
Kalamazoo, Mich.
Keene, N.H.
Key West, Fla.
Kinston, N.C.
Klamath Falls, Oreg.
La Crosse, Wis.
Lafayette, Ind.
Lafayette/New Iberia, La.
Lake Charles, La.
Lancaster, Pa.
Lansing, Mich.
*Laredo, Tex.
Lawton/Fort Sill, Okla.
Lewiston, Idaho/Clarkston, Wash.
Lexington/Frankfort, Ky.
Lincoln, Nebr.
Long Beach, Calif.
Longview/Kilgore/Gladewater, Tex.
Lynchburg, Va.
Macon, Ga.
Manchester/Concord, N.H.
Manhattan/Port Riley, Kans.
Marion/Herrin, Ill.
Marquette, Mich.
Mason City, Iowa.
Medford, Oreg.
Melbourne, Fla.
Meridian, Miss.
Minot, N. Dak.
Mission/McAllen/Edinburg, Tex.
Missoula, Mont.
Modesto, Calif.
Monroe, La.
Montgomery, Ala.
Morgantown, W. Va.
Muskegon, Mich.
*Myrtle Beach, N.C.
Nantucket, Mass.
New Bedford/Fall River, Mass.
New Bern, N.C.
New London, Conn.
North Bend/Cooch Bay, Oreg.
North Platte, Nebr.
Ontario, Calif.
Oshkosh, Wis.
Owensboro, Ky.
Paducah, Ky.
Palm Springs/Indio, Calif.
Panama City, Fla.
Parkersburg, W. Va./Marietta, Ohio.

Pasco/Kennewick/Richland, Wash.
Pellston/Cheboygan, Mich.
Pendleton, Oreg.
Phillipsburg/Clearfield/Bellefonte/State College, Pa.
Pierre, S. Dak.
Plattsburg, N.Y.
Pocatello, Idaho.
Portland, Maine.
Presque Isle, Maine.
Princeton/Bluefield, W. Va.
Pueblo, Colo.
Quincy, Ill./Hannibal, Mo.
Rapid City, S. Dak.
Reading, Pa.
Redding/Red Bluff, Calif.
Riverside, Calif.
Rochester, Minn.
Rockford, Ill.
*Roswell, N. Mex.
Salina, Kans.
San Angelo, Tex.
San Jose, Calif.
Santa Ana/Laguna Beach, Calif.
Santa Barbara, Calif.
Santa Maria, Calif.
Sarasota/Bradenton, Fla.
Savannah, Ga.
Scottsbluff, Nebr.
Sioux City, Iowa.
Springfield, Ill.
Springfield, Mo.
Staunton, Va.
Stockton, Calif.
Tallahassee, Fla.
Tempe, Tex.
Terre Haute, Ind.
Texarkana, Ark.
Topeka, Kans.
Toronto, Canada.
Traverse City, Mich.
*Tuscaloosa, Ala.
Twin Falls, Idaho.
Tyler, Tex.
Utica/Rome, N.Y.
Vinalia, Calif.
Waco, Tex.
Walla Walla, Wash.
Waterloo, Iowa.
Watertown, N.Y.
Wausau, Wis.
Wheeling, W. Va.
White Plains, N.Y.
White River Junction, Vt./Lebanon, N.H.
Wichita Falls, Tex.
Williamsport, Pa.
Wilmington, Del.
Wilmington, N.C.
Winnipeg, Canada.
Winston Salem, N.C.
Worcester, Mass.
Yakima, Wash.
Yuma, Ariz.
Astoria, Oreg.
Augusta/Waterville, Maine.
Bar Harbor, Maine.
Bartlesville, Okla.
Beckley, W. Va.
Bemidji, Minn.
Bend/Redmond, Oreg.
Big Spring, Tex.
Blacksburg/Radford/Pulaski, Va.

CLASS C STATIONS¹

Aberdeen/Hoquiam, Wash.
Alamogordo/Holoman, AFB, N. Mex.
Alamosa, Colo.
Albany/Corvallis, Oreg.
Alliance, Nebr.
Alpena, Mich.
Anderson, S.C.
Apple Valley, Calif.
Ashland, Wis.

Class of stations	Revenue tons, all traffic enplaned per year	Terminal rate per pound, air-mail
A.....	7,000 and over.....	3.32
B.....	750-6,999.....	6.64
C.....	60-749.....	9.96
D.....	59 or less.....	33.21

¹² Murphy, Chairman, Murphy, Vice Chairman, Minetti, Gilliland, and Adams, members, concurred in the above statement and order.

¹ Station reclassified in accordance with the revenue tons of traffic originating at the station for the year ended December 31, 1964.

Bloomington, Ill.
Bloomington, Ind.
Blythe, Calif.
Borger, Tex.
Bowling Green, Ky.
Bozeman, Mont.
Brainerd, Minn.
Brookings, S. Dak.
Brownwood, Tex.
Burbank, Calif.
Burley/Rupert, Idaho.
Cadillac/Reed City, Mich.
Cape Girardeau, Mo.
Cape May/Wildwood, N.J.
Carlsbad, N. Mex.
Cedar City, Utah.
Chadron, Nebr.
Chico, Calif.
Chisholm/Hibbing, Minn.
Clarksville, Tenn./Port Campbell/Hopkinsville, Ky.
Clinton, Iowa.
Clintonville, Wis.
Clovis, N. Mex.
Coeur d'Alene, Idaho.
College Station/Bryan, Tex.
Cortez, Colo.
Crescent City, Calif.
Cut Bank/Shelby, Mont.
Danville, Ill.
Danville, Va.
Decatur, Ala.
Devils Lake, N. Dak.
Dodge City, Kans.
Douglas, Ariz.
DuBois, Pa.
Duncan, Okla.
El Dorado/Camden, Ark.
Elizabeth City, N.C.
Elkins, W. Va.
Elko, Nev.
Ely, Nev.
Enid, Okla.
Ephrata/Moses Lake, Wash.
Escanaba, Mich.
Fairmont, Minn.
Findlay, Ohio.
Fort Polk, La.
Fort William/Port Arthur, Canada.
Gadsden, Ala.
Gainesville, Fla.
Galesburg, Ill.
Gallup, N. Mex.
Galveston, Tex.
Garden City, Kans.
Glasgow, Mont.
Glendive, Mont.
Goldsboro, N.C.
Goodland, Kans.
Grand Canyon, Ariz.
Great Bend, Kans.
Greenwood, Miss.
Greenwood, S.C.
Gunnison, Colo.
Guymon, Okla.
Hagerstown, Md.
Hancock/Houghton, Mich.
Harrison, Ark.
Hastings, Nebr.
Hattiesburg, Miss.
Havre, Mont.
Hays, Kans.
Hazleton, Pa.
Hobbs, N. Mex.
Hot Springs, Va.
Hutchinson, Kans.

*Hyannis, Mass.
Independence/Coffeyville/Parsons, Kans.
International Falls, Minn.
Inyokern, Calif.
Iowa City, Iowa.
Ironwood, Mich.
Jackson, Mich.
Jackson, Tenn.
Jackson, Wyo.
Jamestown, N. Dak.
Johnstown, Pa.
Jonesboro, Ark.
Kallispell, Mont.
Kearney, Nebr.
Kingman, Ariz.
Kirkville, Mo.
Kokomo/Logansport/Peru, Ind.
Laconia, N.H.
Lake Tahoe, Calif.
Land O'Lakes, Wis.
Laramie, Wyo.
Laurel, Miss.
Lewiston/Auburn, Maine.
Lewistown, Mont.
Liberal, Kans.
Lima, Ohio.
Logan, Utah.
London/Corbin, Ky.
Lovell/Powell/Cody, Wyo.
Lurkin, Tex.
Manistee/Ludington, Mich.
Manitowoc, Wis.
Mankato, Minn.
Mansfield, Ohio.
Marquette, Wis./Menominee, Mich.
Marion, Ind.
Marshfield, Wis.
Martha's Vineyard, Mass.
Martinsburg, W. Va.
Marysville/Yuba City, Calif.
Massena, N.Y.
Mattoon/Charleston, Ill.
McAlester, Okla.
McCook, Nebr.
Merced, Calif.
Miles City, Mont.
Mitchell, S. Dak.
Moab, Utah.
Montpelier/Barre, Vt.
Montrose/Delta, Colo.
Morgan City, La.
Moultrie, Ga.
Mount Vernon, Ill.
Muncie, Ind.
Muskegon, Okla.
Natchez, Miss.
New Haven, Conn.
Norfolk, Nebr.
Ocala, Fla.
Ogdensburg, N.Y.
Oil City/Franklin, Pa.
Olean, N.Y.
Olympia, Wash.
Ottawa, Canada.
Ottumwa, Iowa.
Oxnard/Ventura, Calif.
Page, Ariz.
Palmdale/Lancaster, Calif.
Paris, Tex.
Pasagoula, Miss.
Paso Robles/San Luis Obispo, Calif.

Pine Bluff, Ark.
Pittsfield, Mass.
Ponca City, Okla.
Port Angeles, Wash.
Port Huron, Mich.
Portsmouth, Ohio.
Poughkeepsie, N.Y.
Prescott, Ariz.
Pullman, Wash./Moscow, Idaho.
Rhineland, Wis.
Riverton/Lander, Wyo.
Rock Springs, Wyo.
Rockland, Maine.
Rockwood, Tenn.
Rocky Mount, N.C.
Rome, Ga.
Roseburg, Oreg.
Rutland, Vt.
St. Joseph, Mo.
Salem, Oreg.

Salisbury, Md.
Sante Fe, N. Mex.
Santa Rosa, Calif.
Saranac Lake/Lake Placid, N.Y.
Sault Ste. Marie, Mich.
Shelbyville/Tullahoma, Tenn.
Sheridan, Wyo.
Sidney, Mont.
Sidney, Nebr.
Silver City/Hurley, N. Mex.
Southern Pines/Pinehurst/Aberdeen, N.C.
Sterling/Rock Falls, Ill.
Stevens Point/Wisconsin Rapids, Wis.

Stillwater, Okla.
Sun Valley/Hailey/Ketchum, Idaho.
Thief River Falls, Minn.
Trenton, N.J.
Tupelo, Miss.
University/Oxford, Miss.
Valdosta, Ga.
Vernal, Utah.
Vero Beach, Fla.
Vicksburg, Miss.

Victoria, Tex.
Watertown, S. Dak.
Waycross, Ga.
Wenatchee, Wash.
Williston, N. Dak.
Winona, Minn.
Winslow, Ariz.
Wolf Point, Mont.
Worland, Wyo.
Worthington, Minn.
Yankton, S. Dak.
Zanesville/Cambridge, Ohio.

CLASS D STATIONS¹

Baker, Oreg.
Berlin, N.H.
Burns, Oreg.
Columbus, Ind.
Lakeview, Oreg.
Lamar, Colo.

Lawrence, Mass.
Moberly, Mo.
Ontario, Oreg.
Newport, Vt.
Pontiac, Mich.
Richmond, Ind.

COMPARISON OF DOMESTIC PRIORITY SERVICE MAIL RATES UNDER PROPOSED AND CURRENT SERVICE PAY TRUNK AND ALL-CARGO LINES

	Priority service mail pay at—				
	Proposed rates		Current rates		Decrease (000)
	Amount (000)	Yield	Amount (000)	Yield	
Big Four:		<i>Cents</i>		<i>Cents</i>	
American	\$9,315	32.24	\$10,187	35.26	\$872
Eastern	5,826	37.69	6,294	40.71	468
TWA	7,417	32.59	8,104	35.61	687
United	17,464	32.42	19,090	38.44	1,626
Total Big Four	40,022	33.08	43,675	36.10	3,653
Other trunks:					
Braniff	2,080	37.50	2,247	40.52	167
Continental	1,405	35.42	1,525	38.44	120
Delta	4,052	35.28	4,408	38.30	346
National	1,958	40.36	2,105	43.38	147
Northeast	312	49.09	331	52.71	19
Northwest	2,967	34.57	3,227	37.59	260
Western	1,201	37.09	1,297	40.71	96
Total other trunks	13,985	36.54	15,140	39.56	1,155
Total trunks	54,007	33.91	58,815	36.93	4,808
All cargo:					
Airfreight	132	37.72	143	40.74	11
Flying Tiger	145	33.39	158	36.41	13
Slick	54	48.33	57	51.35	3
Total all-cargo lines	331	36.94	358	39.96	27
Total trunkline and all cargo	54,338	33.93	59,173	36.95	4,835
Local service (see page 2)	3,194	73.47	3,326	76.49	132
Grand total	57,532	34.97	62,499	37.99	4,967

NOTE: Data are based on mail transported during calendar 1964. Data shown for TWA, Braniff, and Northwest are for domestic operations only. Data shown for the remaining carriers are for each carrier's entire system including "stub-end" operations where applicable.

COMPARISON OF DOMESTIC PRIORITY SERVICE MAIL RATES UNDER PROPOSED AND CURRENT SERVICE PAY LOCAL SERVICE LINES

	Priority service mail pay at—				
	Proposed rates		Current rates		Decrease (000)
	Amount (000)	Yield	Amount (000)	Yield	
Allegheny	\$407	<i>Cents</i> 75.31	\$423	<i>Cents</i> 78.33	\$16
Bonanza	57	65.16	60	68.18	3
Central	169	82.35	175	85.37	6
Frontier	181	56.67	191	59.69	10
Lake Central	163	91.92	169	94.94	6
Mohawk	293	84.30	307	87.32	14
North Central	435	84.05	451	87.07	16
Ozark	276	83.12	286	86.14	10
Pacific	197	92.73	203	95.75	6
Piedmont	344	64.65	360	67.67	16
Southern	275	68.62	287	71.04	13
Trans Texas	301	70.00	314	73.02	13
West Coast	96	72.17	100	75.19	4
Total	3,194	73.47	3,326	76.49	132

See footnotes on preceding page.

TRENDS IN TOTAL OPERATING EXPENSES, DOMESTIC TRUNKLINES (INCLUDING STUB-ENDS) 1954-64

	Overall load factor	Total operating expenses		Trends in operating expenses (1954=100)	
		Per revenue ton-mile	Per available ton-mile	Per RTM	Per ATM
	Percent	Cents	Cents		
1954	56.1	47.32	26.52	100	100
1955	56.6	45.91	25.98	97	98
1956	56.0	47.05	26.33	99	99
1957	53.0	50.29	26.06	106	101
1958	53.1	51.25	27.23	108	103
1959	53.5	52.98	28.30	112	107
1960	51.0	56.59	28.88	120	109
1961	48.1	58.00	28.21	124	106
1962	46.8	56.96	26.63	120	100
1963	46.4	53.53	24.84	113	94
1964	46.5	49.95	23.22	106	88

[F.R. Doc. 65-7955; Filed, July 27, 1965; 8:48 a.m.]

FEDERAL MARITIME COMMISSION

[Docket No. 65-27]

MARSEILLES NORTH ATLANTIC U.S.A. FREIGHT CONFERENCE

Exclusive Patronage (Dual Rate) System and Contract; Order of Investigation and Hearing

The Commission has before it the application of the Marseilles North Atlantic U.S.A. Freight Conference for permission to institute a contract/noncontract rate system and the approval, disapproval, or modification of its proposed form of exclusive patronage (dual rate) contract.

There has not been furnished sufficient information and justification to afford a basis for Commission consideration of this application, and the proposed form of dual rate contract, under the statutory requirements of section 14(b) of the Shipping Act, 1916.

Therefore, it is ordered, That pursuant to sections 14(b) and 22 of the Shipping Act, 1916, as amended, an investigation and hearing be instituted to determine whether (1) the proposed system and the form of exclusive patronage (dual rate) contract meet the requirements of section 14(b), or will be detrimental to the commerce of the United States, contrary to the public interest, or unjustly discriminatory or unfair as between shippers, exporters, importers, or ports, or between exporters from the United States and their foreign competitors; and (2) the application for permission to institute the proposed contract/noncontract system and the use of the proposed form of exclusive patronage (dual rate) contract should be permitted pursuant to the requirements of section 14(b) of the Shipping Act, 1916.

It is further ordered, That the Marseilles North Atlantic U.S.A. Freight Conference and its member lines, listed in the appendix below, be made respondents in this proceeding.

It is further ordered, That this matter be assigned for hearing before an Examiner of the Commission's Office of Hearing Examiners at a date and place to be hereafter determined and announced by the Presiding Examiner.

It is further ordered, That any persons, other than respondents, having any

interest in this matter, and desiring to participate in this proceeding, shall file a petition for leave to intervene with the Secretary, Federal Maritime Commission, Washington, D.C., 20573, on or before August 12, 1965.

It is further ordered, That this order and notice of hearing be published in the FEDERAL REGISTER, and that a copy of such order be served upon respondents and that all future notices, orders and decisions issued in this proceeding, including notice of time and place of hearing and prehearing conference, be mailed directly to each party of record.

By the Commission.

[SEAL]

THOMAS LEST,
Secretary.

APPENDIX

MARSEILLES NORTH ATLANTIC U.S.A. FREIGHT CONFERENCE (AGREEMENT 5460)

Member Lines

- American Export Isbrandtsen Lines, Inc., 26 Broadway, New York, N.Y., 10004.
 American President Lines, Ltd., 601 California Street, San Francisco, Calif., 94108.
 Concordia Line, Bolsee-Griffin Steamship Co., Inc., General Agents, 90 Broad Street, New York, N.Y., 10004.
 Constellation Line, Van Nieuvelt, Goudriaan & Co.'s Stoomvaart Maatschappij, N.V., Constellation Navigation Inc., General Agents, 85 Broad Street, New York, N.Y., 10004.
 Compagnie Fabre Societe Generale de Transports Maritimes, Black Diamond Steamship Corp., General Agents, 2 Broadway, New York, N.Y., 10004.
 Fresco Line, F. W. Hartmann & Co., Inc., General Agents, 120 Wall Street, New York, N.Y., 10005.
 Hansa Line (D. D. G-Hansa), F. W. Hartmann & Co., Inc., General Agents, 120 Wall Street, New York, N.Y., 10005.
 Villain & Passio e Compagnia Internazionale di Genova Societa Riunite di Navigazione S.p.A. (Passio Line), Norton, Lilly & Co., Inc., General Agents, 26 Beaver Street, New York, N.Y., 10004.
 Zim Israel Navigation Co., Ltd., American-Israeli Shipping Co., Inc., General Agents, 42 Broadway, New York, N.Y., 10004.

Conference Office

Mr. G. Retournat, Secretary, Marseilles North Atlantic Freight Conference, 72, Rue de la Republique, Marseilles 2, France.

[F.R. Doc. 65-7946; Filed, July 27, 1965; 8:48 a.m.]

FEDERAL POWER COMMISSION

[Docket No. CP66-16]

ARKANSAS LOUISIANA GAS CO.

Notice of Application

JULY 21, 1965.

Take notice that on July 16, 1965, Arkansas Louisiana Gas Co. (Applicant), Shreveport, La., 71102, filed in Docket No. CP66-16 an application pursuant to section 7(b) of the Natural Gas Act for permission and approval to abandon from interstate service approximately 44,530 feet of 14-inch gas pipeline and appurtenances, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant proposes to abandon the pipeline and appurtenances, all located near Enid, Okla., in three segments, as follows: (1) Approximately 29,100 feet extending in a northeasterly direction from Applicant's new Enid compressor station to be converted to distribution service; (2) approximately 13,780 feet extending in an easterly direction from the northern terminus of the first-mentioned segment to be sold to Oklahoma Natural Gas Co. (Oklahoma); (3) approximately 1,650 feet extending from the eastern terminus of the second segment to the site of Applicant's abandoned Enid compressor station to be abandoned in place.

The application states that this line is very old, that it no longer transports gas in interstate commerce, and that Oklahoma will continue to render the distribution service heretofore rendered by Applicant to customers located along that segment of the line which is to be transferred to Oklahoma.

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) and the regulations under the Natural Gas Act (157.10) on or before August 19, 1965.

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 without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, and the Commission on its own review of the matter finds that permission and approval for the proposed abandonment are required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

JOSEPH H. GUTHRIE,
Secretary.

[F.R. Doc. 65-7914; Filed, July 27, 1965; 8:45 a.m.]

[Docket No. CP66-14]

CITIES SERVICE GAS CO.**Notice of Application**

JULY 21, 1965.

Take notice that on July 16, 1965, Cities Service Gas Co. (Applicant), Post Office Box 1995, Oklahoma City, Okla., 73101, filed in Docket No. CP66-14 an application pursuant to sections 7(b) and 7(c) of the Natural Gas Act for permission and approval to abandon certain facilities and for a certificate of public convenience and necessity authorizing the construction and operation of transmission facilities, all as more fully set forth in the application on file with the Commission and open to public inspection.

Specifically, Applicant proposes to reclaim the existing metering and regulating facilities and approximately 1,794 feet of 2-inch pipeline presently serving the town of Tonganoxie, Leavenworth County, Kans., and to construct approximately 3,360 feet of 4-inch pipeline from a point on its newly constructed Ottawa-Tonganoxie 26-inch pipeline to the town of Tonganoxie, together with new meter and regulating facilities to enable it to continue service to that community.

Applicant states the reason for the proposed abandonment and construction is that the present 2-inch pipeline serving Tonganoxie is in a deteriorated condition and there is an excessive pressure drop in the line.

The total estimated cost to construct the proposed facilities is \$13,870, which will be paid for from cash on hand.

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) and the regulations under the Natural Gas Act (157.10) on or before August 16, 1965.

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 without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate and permission and approval for the proposed abandonment are required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 65-7915; Filed, July 27, 1965; 8:45 a.m.]

[Project No. 2442]

CITY OF WATERTOWN, N.Y.**Notice of Application for License for Constructed Project**

JULY 21, 1965.

Public notice is hereby given that application has been filed under the Federal Power Act (16 U.S.C. 791a-325r) by city of Watertown, N.Y. (correspondence to: Ronald G. Forbes, City Manager, Watertown, N.Y., 13601) for a license for constructed Project No. 2442, located on the Black River in the city of Watertown, County of Jefferson, State of New York.

The existing project consists of: (1) A main concrete-gravity diversion dam, 650 feet long with a maximum height of 13.5 feet; (2) a second similar diversion dam 200 feet long; (3) a small water impoundment; (4) a concrete headgate structure with 25 wooden gates; (5) a canal and forebay approximately 950 feet long, 55 feet wide, and 20 feet deep; (6) a concrete and brick powerhouse with three generating units each consisting of an 1,800-kw generator connected to a 2,700-hp turbine; and (7) appurtenant electrical and mechanical facilities.

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 of the Commission (18 CFR 1.8 or 1.10). The last day upon which protests or petitions may be filed is September 8, 1965. The application is on file with the Commission for public inspection.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 65-7916; Filed, July 27, 1965; 8:45 a.m.]

[Docket No. CP64-211 etc.]

EL PASO NATURAL GAS CO. ET AL.**Order Setting Consolidated Proceedings for Conference and Fixing Procedure for Exchange of Prepared Testimony**

JULY 21, 1965.

El Paso Natural Gas Co., Docket Nos. CP64-211, CP62-176; Socony Mobil Oil Co., CI62-825; Phillips Petroleum Co., CI64-719; The Pure Oil Co., CI64-1085; The Atlantic Refining Co., CI64-1130; Gulf Oil Corp., CI64-1153; Skelly Oil Co., CI64-1225; Midwest Oil Corp., CI64-1429; Dalcio Oil Co., CI64-1442; W. Watson LaForce, CI65-61; George T. Abell, CI65-878, M. B. Rudman, et al., CI65-930.

By order issued June 14, 1965, the above designated dockets were consolidated for hearing, but the date set for said hearing was left open to be determined by subsequent order of the Commission after El Paso Natural Gas Co. (El Paso) has submitted the information requested by the Commission Staff which is necessary to evaluate the proposal.

On May 10, 1965, El Paso filed certain supplementary information in response to requests by the Commission Staff.

Additional supplementary information was filed by El Paso on June 4, 1965. It appears that evaluation of these data has been completed by the Staff, and it is in the public interest that the issues presented by the various applications be determined in a formal hearing.

The Commission orders:

(A) Applicants who intend to present evidence shall file with the Commission and serve on all parties and the Staff on or before August 12, 1965, the proposed evidence comprising their cases in chief, including prepared testimony of witnesses and exhibits. The Staff and intervenors shall file with the Commission and serve on all parties on or before August 25, 1965, any proposed evidence comprising their cases in chief, or rebuttal of the testimony of the applicants, including prepared testimony of witnesses and exhibits. Dates for filing further testimony and exhibits will be fixed by the examiner.

(B) A conference shall be held on August 26, 1965, before a hearing examiner of the Commission to be designated by the chief examiner, in order to consider the means by which the conduct of the hearing may be facilitated and in order to determine further procedures including the date for commencement of cross-examination. Such conference will be held in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D.C., commencing at 10 a.m., e.d.s.t., on August 26, 1965.

By the Commission

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 65-7917; Filed, July 27, 1965; 8:45 a.m.]

[Docket No. CP66-12]

FLORIDA GAS TRANSMISSION CO.**Notice of Application**

JULY 21, 1965.

Take notice that on July 12, 1965, Florida Gas Transmission Co. (Applicant), Post Office Box 44, Winter Park, Fla., 32790, filed in Docket No. CP66-12 an application pursuant to section 7(c) of the Natural Gas Act, as implemented by § 157.7(c) of the regulations under the act, for a certificate of public convenience and necessity authorizing the construction and operation of gas sales and transportation facilities, all as more fully described in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant seeks authorization to construct, during the 12-month period following appropriate Commission certification, and operate various gas-sales and transportation facilities to be used for (1) transportation and sale of volumes of natural gas previously authorized under certificates for transportation or sale to existing distributors, (2) direct sales of natural gas to consumers located outside the franchise area of any local distributor, and (3) miscellaneous rearrangements of existing pipeline

facilities of Applicant. Applicant states that deliveries to any one distributor or consumer through the facilities to be installed will not exceed 100,000 Mcf annually, and will not be used by such distributor or consumer for boiler fuel purposes.

Applicant further states that the only facilities which it presently contemplates building pursuant to the authorization it seeks are approximately 0.24 mile of 6½-inch pipeline to loop its existing 2½-inch Hialeah S.E. sales lateral pipeline in Dade County, Fla., which is used for the transportation and sale of natural gas to City Gas Co. of Florida for resale in its existing Hialeah gas distribution system. The estimated cost of these specific facilities is \$10,200.

The total estimated cost of facilities in the proposed authorization is \$300,000, which will be financed with internally generated funds.

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) and the regulations under the Natural Gas Act (157.10) on or before August 16, 1965.

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 without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 65-7918; Filed, July 27, 1965;
8:45 a.m.]

[Docket Nos. RI66-21, RI66-22]

SOCONY MOBIL OIL CO., INC.

Order Permitting Rate Filings, Providing for Hearings on and Suspension of Proposed Changes in Rates

JULY 21, 1965.

On June 28, 1965, Socony Mobil Oil Co., Inc., and Socony Mobil Oil Co., Inc. (Operator) (Socony),¹ tendered for filing proposed changes in its 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 contained in the following designated filings:²

Description: (1) Notice of change, dated June 28, 1965; (2) notice of change, dated June 28, 1965.

Purchaser and producing area: (1) El Paso Natural Gas Co. (Sand Hills Field, Crane County, Tex.) (R.R. Dist. No. 8, Permian Basin); (2) El Paso Natural Gas Co. (Kermit Field, Winkler County, Tex.) (R.R. Dist. No. 8, Permian Basin).

Rate schedule designation: (1) Supplement No. 5 to Socony's FPC Gas Rate Schedule No. 308; (2) Supplement No. 13 to Socony's FPC Gas Rate Schedule No. 26.

Effective dates: (1) July 29, 1965; (2) July 29, 1965.³

Amounts of annual increases: (1) \$29,416; (2) \$19,895.

Effective rates: (1) 16.0 cents per Mcf; (2) 16.0 cents per Mcf.⁴

Proposed rates: (1) 18.2430 cents per Mcf; (2) 18.1215 cents per Mcf.

Pressure bases: (1) 14.65 p.s.i.a.; (2) 14.65 p.s.i.a.

Socony's proposed rate increases from 16.0 cents to 18.2450 cents per Mcf, and from 16.0 cents to 18.1215 cents per Mcf, are from conditioned initial rates, being the initial service ceiling for the area, to the initial rate level provided for in the contract. The sales were initially made under temporary certificates conditioned as to the initial rates with a proviso that such rates could not be changed unless otherwise ordered by the Commission in the related certificate proceedings in Docket No. G-11931 and CI62-801, respectively. Such proviso comprises Condition (2) of the temporary certificate authorizations. In certain instances the Commission has in the past waived Condition (2) of a temporary certificate authorization and permitted the filing of a rate increase involving sales for which a permanent certificate has not been issued within 3 years from the date of initial delivery.

Since more than 3 years have elapsed from the date Socony initiated service under its temporary certificate authorizations, we believe that Condition (2) of the related temporary certificates issued January 17, 1962, in Docket No. G-11931, and February 27, 1962, in Docket No. CI62-801, should be waived in order to permit Socony's proposed notices of changes in rates to be filed as hereinafter ordered. The proposed rates of 18.2430 cents and 18.1215 cents per Mcf exceed the area increased ceiling level of 11.0 cents per Mcf as set forth in the Commission's Statement of General Policy No. 61-1, as amended, and should be suspended.

The proposed changed rates and charges may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds:

(1) Good cause exists for waiving Condition (2) in the temporary certificate issued in Docket No. G-11931 with respect to Socony's notice of change,

¹ (1) Refers to Docket No. RI66-21; (2) refers to Docket No. RI66-22.

² The stated effective date is the first day after expiration of the required statutory notice.

³ Conditioned initial rate.

designated as Supplement No. 5 to Socony's FPC Gas Rate Schedule No. 308, and that such notice of change be permitted to be filed as hereinafter ordered.

(2) Good cause exists for waiving Condition (2) in the temporary certificate issued in Docket No. CI62-801 with respect to Socony's notice of change, designated as Supplement No. 13 to Socony's FPC Gas Rate Schedule No. 26, and that such notice of change be permitted to be filed as hereinafter ordered.

(3) 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 changes, and that Supplement Nos. 5 and 13 to Socony's FPC Gas Rate Schedule Nos. 308 and 26, respectively, be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Condition (2) in the temporary certificate issued in Docket No. G-11931 is hereby waived with respect to Socony's notice of change, designated as Supplement No. 5 to Socony's FPC Gas Rate Schedule No. 308, and such rate change is hereby permitted to be filed.

(B) Condition (2) in the temporary certificate issued in Docket No. CI62-801 is hereby waived with respect to Socony's notice of change, designated as Supplement No. 13 to Socony's FPC Gas Rate Schedule No. 26, and such rate change is hereby permitted to be filed.

(C) 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 Ch. I), public hearings shall be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of the proposed increased rates and charges contained in Supplement Nos. 5 and 13 to Socony's FPC Gas Rate Schedule Nos. 308 and 26, respectively.

(D) Pending such hearings and decisions thereon, Supplement Nos. 5 and 13 to Socony's FPC Gas Rate Schedule Nos. 308 and —, respectively, are hereby suspended and the use thereof deferred until December 29, 1965, and thereafter until such further time as they are made effective in the manner prescribed by the Natural Gas Act.

(E) 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 period of suspension has expired, unless otherwise ordered by the Commission.

(F) Notices of intervention 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, 137(f)) on or before September 13, 1965.

By the Commission.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 65-7919; Filed, July 27, 1965;
8:45 a.m.]

¹ Address is: Post Office Box 2444, Houston, Tex. 77001.

[Docket No. CP66-13]

TEXAS GAS TRANSMISSION CORP.**Notice of Application**

JULY 21, 1965.

Take notice that on July 14, 1965, Texas Gas Transmission Corp. (Applicant), Post Office Box 1160, Owensboro, Ky., 42301, filed in Docket No. CP66-13 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 natural gas facilities, all as more fully described in the application which is on file with the Commission and open to public inspection.

Applicant proposes to construct and operate facilities to render the service sought by the City of Hamilton, Ohio, in its application pursuant to section 7(a) of the Natural Gas Act filed in Docket No. CP65-402 on June 16, 1965. Hamilton requested that the Commission require Applicant to render natural gas service to it in volumes up to 37,550 Mcf¹ per day. Applicant filed an answer in Docket No. CP65-402 on July 2, 1965, stating that it did not have sufficient facilities to render the service requested and that before such service could be rendered certain facilities must be authorized by the Commission.

By the instant filing, Applicant seeks authorization to construct and operate the following facilities to render the service proposed by Hamilton:

- (1) Approximately 22.31 miles of 30-inch loop pipeline in Tennessee and Kentucky;
- (2) Approximately 22.43 miles of 36-inch loop pipeline in Louisiana;
- (3) One meter station in Ohio; and
- (4) One 9,100 horsepower centrifugal compressor unit in the Lake Cormorant, Miss., Compressor Station.

The estimated cost of construction of the proposed facilities is \$8,257,000, which will be financed from cash on hand.

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) and the regulations under the Natural Gas Act (157.10) on or before August 16, 1965.

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 without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be

unnecessary for Applicant to appear or be represented at the hearing.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 65-7920; Filed, July 27, 1965;
8:45 a.m.]

[Project No. 2525]

WISCONSIN PUBLIC SERVICE CORP.**Notice of Application for License for Constructed Project**

JULY 21, 1965.

Public notice is hereby given that application has been filed under the Federal Power Act (16 U.S.C. 791a-825r) by Wisconsin Public Service Corp. (correspondence to: C. A. McKenna, Secretary, Wisconsin Public Service Corp., 1029 North Marshall Street, Milwaukee, Wis., 53201) for a license for constructed Project No. 2525, known as the Caldron Falls Hydroelectric Project, located on the Peshtigo River, in the Community of Crivitz in the town of Stephenson, County of Marinette, Wis.

The existing project consists of: (1) A concrete dam 1,250 feet long and 30 feet high; (2) a reservoir with surface area of 1,180 acres at normal level; (3) two steel penstocks, 10 feet in diameter, one 210 feet long, and one 220 feet long; (4) a steel and brick powerhouse on concrete foundation housing two generating units; capacity: 3,200 kw each; (5) a substation containing four 2,750 kva transformers; (6) recreational facilities including five boat landings with a sixth being developed; and (7) appurtenant electrical and mechanical facilities.

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 of the Commission (18 CFR 1.8 or 1.10). The last day upon which protests or petitions may be filed is September 7, 1965. The application is on file with the Commission for public inspection.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 65-7921; Filed, July 27, 1965;
8:45 a.m.]

**SECURITIES AND EXCHANGE
COMMISSION**

[24A-1761]

BLUE STAR PRODUCTIONS, INC.**Notice and Order for Hearing**

JULY 21, 1965.

I. Blue Star Productions, Inc. (Issuer), 513 Ainsley Building, Miami, Fla., 33232, a Florida corporation, filed with the Commission on April 29, 1965, a notification, offering circular and other exhibits relating to a proposed offering of 100,000 shares of its \$0.05 par value common stock at \$2.00 per share for an aggregate of \$200,000 for the purpose of obtaining an exemption from the registration requirements of the Securities Act of 1933,

as amended, pursuant to the provisions of section 3(b) and Regulation A promulgated thereunder. L. A. Francis, Ltd., 79 Wall Street, New York, N.Y., was named as the underwriter for the offering. A comment letter was mailed by the Atlanta Regional Office on May 10, 1965. The filing was amended on June 10, 1965.

II. The Commission, on July 8, 1965, issued an order pursuant to Rule 261 of the general rules and regulations under the Securities Act of 1933, as amended, temporarily suspending the issuer's exemption under Regulation A, and affording to any person having any interest therein an opportunity to request a hearing. A written request for a hearing has been received by the Commission.

The Commission deems it necessary and appropriate that a hearing be held for the purpose of determining whether it should vacate the temporary suspension order or enter an order of permanent suspension in this matter.

It is hereby ordered, Pursuant to Rule 261 of the general rules and regulations under the Securities Act of 1933, as amended, that a hearing be held at 10 a.m., on August 11, 1965, at the Miami Branch Office of the Commission, Room 1504, 51 SW. First Avenue, Miami, Fla., with respect to the matters set forth in section II of the Commission's order dated July 8, 1965, which temporarily suspended the Regulation A exemption of Blue Star Productions, Inc., without prejudice, however, to the specification of additional issues which may be presented in these proceedings.

III. It is further ordered, That Samuel Binder, or any other officer or officers of the Commission designated by it for that purpose, shall preside at the hearing; that any officer or officers so designated to preside at any such hearing are hereby authorized to exercise all the powers granted to the Commission under sections 19(b), 21 and 22(c) of the Securities Act of 1933, as amended, and to hearing officers under the Commission's rules of practice.

It is further ordered, That the Secretary of the Commission shall serve a copy of this order by certified mail on Blue Star Productions, Inc., and that notice of the entering of this order shall be given to all persons by general release of the Commission and by publication in the FEDERAL REGISTER. Any person who desires to be heard or otherwise wishes to participate in the hearing shall file with the Commission on or before August 9, 1965, a request relative thereto as provided in Rule 9(c) of the Commission's rules of practice.

It is further ordered, That Blue Star Productions, Inc., pursuant to Rule 7 of the rules of practice of the Commission (17 CFR 201.7), shall file an answer to the allegations set forth in Section II of the Commission's order dated July 8, 1965. Such answer shall be filed in the manner, form and within the time prescribed by 17 CFR 201.7 and shall specifically admit or deny or state that Blue Star Productions, Inc., does not have, and is unable to obtain, sufficient information to admit or deny each of the allegations set forth in section II of

¹ Stated at 14.73 p.s.i.a.

the Commission's order dated July 8, 1965.

Notice is hereby given that if Blue Star Productions, Inc., fails to file an answer pursuant to 17 CFR 201.7 within 15 days after service upon it of this notice and order for hearing, the proceedings may be determined against Blue Star Productions, Inc., by the Commission upon consideration of this notice and order for hearing and said allegations in section II of the Commission's order dated July 8, 1965, may be deemed to be true.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F.R. Doc. 65-7911; Filed, July 27, 1965;
8:45 a.m.]

[File No. 70-4295]

CONSOLIDATED NATURAL GAS CO.

Notice of Proposed Issue and Sale of Principal Amount of Debentures at Competitive Bidding

JULY 22, 1965.

Notice is hereby given that Consolidated Natural Gas Co. ("Consolidated"), 30 Rockefeller Plaza, New York, N.Y., 10020, a registered holding company, has filed a declaration with this Commission pursuant to the Public Utility Holding Company Act of 1935 ("Act"), designating sections 6(a) and 7 of the act and Rule 50 promulgated thereunder as applicable to the transaction proposed therein. All interested persons are referred to the declaration, on file at the office of the Commission, for a statement of the proposed transaction which is summarized below.

Consolidated proposes to issue and sell, subject to the competitive bidding requirements of Rule 50 promulgated under the act, \$25,000,000 principal amount of 10 percent debentures due September 1, 1990. The interest rate of the debentures (which shall be a multiple of 1/8 of 1 percent) and the price, exclusive of accrued interest, to be paid to Consolidated (which shall be not less than 99 percent nor more than 102 percent of the principal amount thereof) will be determined by the competitive bidding. The debentures will be issued under an Indenture dated as of September 1, 1965, between Consolidated and Manufacturers Hanover Trust Co., Trustee, and will be issued in registered form. There will be an annual sinking fund of \$1,000,000 starting at the beginning of the sixth year of the issue of the debentures, leaving a balance of \$5,000,000 payable at maturity.

The declaration states that of the proceeds from the sale of the debentures, \$15,000,000 will be used to repay Consolidated's 4 1/2 percent short-term construction bank loan of that amount, and \$10,000,000 will be used to finance in part the 1965 construction program of the subsidiary companies, presently estimated at \$70,300,000. The balance of funds required for the construction program will be obtained from internal cash sources of the Consolidated system.

Fees and expenses incident to the proposed transaction are estimated at \$119,000, including independent consulting geologists' fees and expenses of \$10,000, accounting fees of \$6,500, and service charges, at cost, of Con-Gas Service Corp. of \$25,000. Included within such charges of the service company is an amount of \$10,000 with respect to its regularly employed counsel. The fees and expenses of counsel for the underwriters, to be paid by the successful bidders, will be supplied by amendment.

The declaration states that no State commission and no Federal commission, other than this Commission, has jurisdiction over the proposed transaction.

Notice is further given that any interested person may, not later than August 25, 1965, request in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by said declaration which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C., 20549. A copy of such request should be served personally or by mail (airmail if the person being served is located more than 500 miles from the point of mailing) upon the declarant at the above-stated address, and proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed contemporaneously with the request. At any time after said date, the declaration, as filed or as it may be amended, may be permitted to become effective as provided in Rule 23 of the general rules and regulations promulgated under the act, or the Commission may grant exemption from such rules as provided in Rules 20 (a) and 100 thereof or take such other action as it may deem appropriate.

For the Commission (pursuant to delegated authority).

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F.R. Doc. 65-7912; Filed, July 27, 1965;
8:45 a.m.]

[File No. 500-1]

IDAMONT OIL & MINING CO.

Order Suspending Trading

JULY 22, 1965.

The capital stock of Idamont Oil & Mining Co., certain fractional undivided interests and investment contracts relating to its mining properties, and options to acquire such stock and interests are being traded otherwise than on a national securities exchange; and

It appearing to the Securities and Exchange Commission that the summary suspension of such trading in such securities is required in the public interest and for the protection of investors;

It is ordered, Pursuant to section 15(c) (5) of the Securities Exchange Act of 1934, that trading in the capital stock of Idamont Oil & Mining Co., certain fractional undivided interests and investment contracts relating to its mining

properties, and options to acquire such stock and interests, otherwise than on a national securities exchange, be summarily suspended, this order to be effective for the period July 23, 1965 through August 1, 1965, both dates inclusive.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F.R. Doc. 65-7913; Filed, July 27, 1965;
8:45 a.m.]

INTERSTATE COMMERCE COMMISSION

[No. 34607]

SEABOARD AIR LINE RAILROAD CO. ET AL.

Directing Special Procedure

It appearing, that on June 15, 1965, the Seaboard Air Line Railroad Co. and the Atlantic Coast Line Railroad Co. filed a complaint with the Commission against the Southern Railway Co. and the Carolina and Northwestern Railway Co. alleging that certain rates maintained on road aggregates for interstate traffic are unjust and unreasonable under section 1 of the Interstate Commerce Act and that certain rates on sand, gravel, and crushed stone applicable on intrastate traffic cast an undue burden upon interstate commerce and are in violation of section 13(4);

It further appearing, that upon consideration of the record in this proceeding, and the request by defendants for oral hearing, and having deemed that this proceeding is of such a nature as to be heard orally and to require the adoption of special procedure, and for good cause appearing therefor:

It is ordered, That:

(a) Complainants shall file with the Commission on or before July 28, 1965, verified statements, in writing, including all exhibits thereto and at the same time serve a copy of said statements and exhibits upon the defendants;

(b) Defendants desiring to cross-examine witnesses who have submitted verified statements or exhibits must give written notice of such desire to complainants' counsel on or before August 6, 1965, a copy of such notice to be filed simultaneously with this Commission. Failure of any such witness to appear at the hearing for cross-examination shall be considered good cause for the rejection of his verified statement and exhibits;

(c) In the event a request is made for the cross-examination of any witness for the complainants, a hearing for that purpose will be held at the office of the Interstate Commerce Commission, Washington, D.C., before Hearing Examiner William J. Sweeney on August 23, 1965, at 8:30 o'clock a.m., U.S. standard time (9:30 o'clock a.m., District of Columbia d.s.t.);

(d) Defendants shall file with the Commission on or before September 27, 1965, verified statements, in writing, including all exhibits thereto, and at the

same time serve a copy of such statements and exhibits upon the complainants;

(e) Complainants may file rebuttal verified statements or exhibits on or before October 25, 1965, with the Commission and the defendants;

(f) Defendants desiring to cross-examine complainants' witnesses who have submitted rebuttal evidence must give written notice of such desire to complainants' counsel on or before November 1, 1965, a copy of such notice to be filed simultaneously with this Commission. Failure of any such witness to appear at the hearing for cross-examination shall be considered good cause for the rejection of his rebuttal evidence;

(g) In the event a request is made to cross-examine complainants' rebuttal witnesses, a hearing will be held at the office of the Interstate Commerce Commission, Washington, D.C., on November 15, 1965, at 9:30 o'clock a.m., U.S. standard time, before Hearing Examiner William J. Sweeney;

(h) An original with the affidavits and signature in ink together with two copies of all verified statements and exhibits shall be filed with the Commission;

And it is further ordered, That a copy of this order be delivered to the Director, Division of Federal Register, for publication in the FEDERAL REGISTER as notice to all interested persons.

Dated at Washington, D.C., this 19th day of July A.D. 1965.

By the Commission, Commissioner Freas.

[SEAL] H. NEIL GARSON,
Secretary.

[F.R. Doc. 65-7938; Filed, July 27, 1965;
8:47 a.m.]

[Notice 38]

FINANCE APPLICATIONS

JULY 23, 1965.

The following publications are governed by the Interstate Commerce Commission's general requirements governing notice of filing of applications under sections 29a except (12) and 214 of the Interstate Commerce Act. The Commission's order of May 20, 1964, providing for such publication of notice, was published in the FEDERAL REGISTER issue of July 31, 1964 (29 F.R. 11126), and became effective October 1, 1964.

All hearings and prehearing conferences, if any, will be called at 9:30 a.m., U.S. standard time unless otherwise specified.

F.D. No. 23729—By application filed July 16, 1965, Holmes Transportation, Inc., 75-81 St. John Street, Portland, Maine, seeks authority under section 214 of the Interstate Commerce Act to issue 8,350 shares of common stock and to assume obligations in the amount of \$684,000. Applicant's attorney: Kenneth B. Williams, Kelly, Shrigley & Ryan, 111 State Street, Boston, Mass., 02109. Protests must be filed no later than 15 days from date of publication in the FEDERAL REGISTER. Note: This application is directly related to MC-F-9150.

F.D. No. 23747—By application filed July 22, 1965 under section 214 of the Interstate Commerce Act authority is sought by Matlack Corp., 10 West Baltimore Avenue, Lansdowne, Pa., to issue, and by Matlack Inc., 10 West Baltimore Avenue, Lansdowne, Pa., to guarantee payment of, long-term notes in the aggregate amount of \$15 million. Applicants' attorney: Mark R. Herr, vice president, finance, Matlack, Inc., 10 West Baltimore Street, Lansdowne, Pa. Protests must be filed no later than five (5) days from date of publication in the FEDERAL REGISTER.

By the Commission.

[SEAL] H. NEIL GARSON,
Secretary.

[F.R. Doc. 65-7939; Filed, July 27, 1965;
8:47 a.m.]

FOURTH SECTION APPLICATIONS FOR RELIEF

JULY 23, 1965.

Protests to the granting of an application must be prepared in accordance with § 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. 39937—Crude phosphate rock from Occidental, Fla. Filed by O.W. South, Jr., agent (No. A4735), for interested rail carriers. Rates on crude phosphate rock, in carloads, from Occidental, Fla., to Savannah, Ga., and Charleston, S.C.

Grounds for relief—Market competition.

Tariff—Supplement 75 to Southern Freight Association, agent, tariff I.C.C. S-140.

FSA No. 39938—Liquid caustic soda from Nixon, Ga. Filed by O. W. South, Jr., agent (No. A4734), for interested rail carriers. Rates on liquid caustic soda, in tank carloads from Nixon, Ga., to Fernandina Beach, Jacksonville, South Jacksonville and Palatka, Fla.

Grounds for relief—Market competition.

Tariff—Supplement 203 to Southern Freight Association, agent, tariff I.C.C. S-194.

By the Commission.

[SEAL] H. NEIL GARSON,
Secretary.

[F.R. Doc. 65-7940; Filed, July 27, 1965;
8:47 a.m.]

[Notice 360]

MOTOR CARRIER ALTERNATE ROUTE DEVIATION NOTICES

JULY 23, 1965.

The following letter-notices of proposals to operate over deviation routes for operating convenience only have been filed with the Interstate Commerce Commission, under the Commission's Deviation Rules Revised, 1957 (49 CFR 211.1 (c) (8)) and notice thereof to all interested persons is hereby given as provided in such rules (49 CFR 211.1(d) (4)).

Protests against the use of any proposed deviation route herein described may be filed with the Interstate Commerce Commission in the manner and form provided in such rules (49 CFR 211.1(e)) at any time, but will not operate to stay commencement of the proposed operations unless filed within 30 days from the date of publication.

Successively filed letter-notices of the same carrier under the Commission's Deviation Rules Revised, 1957, will be numbered consecutively for convenience in identification and protests if any should refer to such letter-notices by number.

MOTOR CARRIERS OF PROPERTY

No. MC 2401 (Deviation No. 6), MOTOR FREIGHT CORPORATION, 2345 South 13th Street, Terre Haute, Ind., 47802, filed July 14, 1965. Carrier proposes to operate as a common carrier, by motor vehicle, of general commodities, with certain exceptions over a deviation route as follows: Between Cincinnati, Ohio, and Dayton, Ohio, over Interstate Highway 75, for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities over a pertinent service route as follows: From Cincinnati, Ohio, over Ohio Highway 4 via Hamilton, Ohio, to junction Ohio Highway 73, thence over Ohio Highway 73 to junction unnumbered highway (formerly portion U.S. Highway 25), at or near Franklin, Ohio, thence over unnumbered highway to junction U.S. Highway 25, near Dwyers, Ohio, thence over U.S. Highway 25 to Dayton, Ohio, and return over the same route.

No. MC 2401 (Deviation No. 7), MOTOR FREIGHT CORPORATION, 2345 South 13th Street, Terre Haute, Ind., 47802, filed July 16, 1965. Carrier proposes to operate as a common carrier, by motor vehicle, of general commodities, with certain exceptions over a deviation route as follows: From Chicago, Ill., over Cicero Avenue, to junction 79th Street, thence over 79th Street to junction U.S. Highways 12, 20, and 45, thence north and northwest over combined U.S. Highways 12, 20, and 45 to junction U.S. Highway 66, thence southwest over U.S. Highway 66 to junction Illinois Highway 126, thence over Illinois Highway 126 to Plainfield, Ill., thence northwest over U.S. Highway 30 to junction U.S. Highway 34, thence west over U.S. Highway 34 to junction U.S. Highway 6, and thence west over U.S. Highway 6 to Omaha, Nebr., and return over the same route, for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities over a pertinent service route as follows: From Chicago, Ill., over Alternate U.S. Highway 30 to junction unnumbered highway via Emerson to junction U.S. Highway 30 southwest of Emerson, thence over U.S. Highway 30 to junction Iowa Highway 131, thence over Iowa Highway 131 to junction Iowa Highway 212, thence over Iowa Highway 212 to junction U.S. Highway 30, thence over U.S. Highway 30 to Missouri Valley, Iowa, thence over Alternate U.S. Highway 30 (formerly U.S. Highway 75)

to Council Bluffs, Iowa, thence over city streets to Omaha, Nebr., thence over Nebraska Highway 38 to junction unnumbered highway (formerly Nebraska Highway 50), thence over unnumbered highway to Millard, Nebr., thence over unnumbered highway (formerly Nebraska Highway 31) to junction U.S. Highway 6, and thence over U.S. Highway 6 to Lincoln, Nebr., and return over the same route.

No. MC 2401 (Deviation No. 8), MOTOR FREIGHT CORPORATION, 2345 South 13th Street, Terre Haute, Ind., 47802, filed July 16, 1965. Carrier proposes to operate as a common carrier, by motor vehicle, of general commodities, with certain exceptions over a deviation route as follows: From Chicago, Ill., over Interstate Highway 55 to junction Interstate Highway 80 (west of Joliet, Ill.), thence over Interstate Highway 80 to Lincoln, Nebr., and return over the same route for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities over a pertinent service route as follows: From Chicago, Ill., over Alternate U.S. Highway 30 to junction unnumbered highway southeast of Emerson, Ill., thence over unnumbered highway via Emerson to junction U.S. Highway 30 southwest of Emerson, thence over U.S. Highway 30 to junction Iowa Highway 131, thence over Iowa Highway 131 to junction Iowa Highway 212, thence over Iowa Highway 212 to junction U.S. Highway 30, thence over U.S. Highway 30 to Missouri Valley, Iowa, thence over Alternate U.S. Highway 30 (formerly U.S. Highway 75) to Council Bluffs, Iowa, thence over city streets to Omaha, Nebr., thence over Nebraska Highway 38 to junction unnumbered highway (formerly Nebraska Highway 50), thence over unnumbered highway to Millard, Nebr., thence over unnumbered highway (formerly Nebraska Highway 31) to junction U.S. Highway 6, and thence over U.S. Highway 6 to Lincoln, Nebr., and return over the same route.

No. MC 29910 (Deviation No. 7), ARKANSAS-BEST FREIGHT SYSTEM, INC., 301 South 11th Street, Fort Smith, Ark., filed July 12, 1965. Carrier proposes to operate as a common carrier, by motor vehicle, of general commodities, with certain exceptions over a deviation route as follows: Between junction Interstate Highway 69 and Indiana Highway 67, south of Anderson, Ind., and junction Interstate Highway 69 and Indiana Highway 67 at Chesterfield, Ind., over Interstate Highway 69, for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities over a pertinent service route as follows: Between the Ohio-Indiana State line and junction Indiana Highway 67 and U.S. Highway 36 over Indiana Highway 67.

No. MC 29910 (Deviation No. 8), ARKANSAS-BEST FREIGHT SYSTEM, INC., 301 South 11th Street, Fort Smith, Ark., filed July 12, 1965. Carrier proposes to operate as a common carrier, by motor vehicle, of general commodities, with certain exceptions over a deviation

route as follows: From junction Interstate Highway 69 and Indiana Highway 67 at Chesterfield, Ind., over Interstate Highway 69 to junction Indiana Highway 28, thence over Indiana Highway 28 to junction Indiana Highway 67, and return over the same route for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities over a pertinent service route as follows: Between the Ohio-Indiana State line and junction Indiana Highway 67 and U.S. Highway 36 over Indiana Highway 67.

No. MC 39406 (Deviation No. 5), CENTRAL MOTOR LINES, INC., Box 1067, Charlotte, N.C., 28201, filed July 12, 1965. Carrier proposes to operate as a common carrier, by motor vehicle, of general commodities, with certain exceptions over a deviation route as follows: Between Kernersville, N.C., and Greensboro, N.C., over Interstate Highway 40, for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities over a pertinent service route as follows: From Hanes, N.C., over U.S. Highway 158 to Winston-Salem, N.C., thence over U.S. Highway 421 to Sanford, N.C., and return over the same route.

No. MC 48022 (Deviation No. 4), INLAND EXPRESS, INC., Post Office Box 73, Marlboro, Mass., filed July 15, 1965. Carrier proposes to operate as a common carrier, by motor vehicle, of general commodities, with certain exceptions over a deviation route as follows: From Boston, Mass., over U.S. Highway 1 to junction Interstate Highway 95, near Danvers, Mass., thence over Interstate Highway 95 to Augusta, Maine, and return over the same route for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities over pertinent service routes as follows: (1) From Boston, Mass., over U.S. Highway 1 to Brunswick, Maine, and thence over U.S. Highway 201 to Augusta, Maine; (2) from Boston, Mass., over U.S. Highway 1 to Portland, Maine, thence over Maine Highway 3 to Gray, Maine, and thence over U.S. Highway 202 to Augusta, Maine, and (3) from Boston, Mass., to Gray, Maine, as specified in (2) above, thence over U.S. Highway 202 to Lewiston, Maine, thence over Maine Highway 126 to Gardiner, Maine, and thence over U.S. Highway 201 to Augusta, Maine, and return over the same routes.

No. MC 52709 (Deviation No. 19), RINGSBY TRUCK LINES, INC., 3201 Ringsby Court, Denver, Colo., 80216, filed July 13, 1965. Carrier proposes to operate as a common carrier, by motor vehicle, of general commodities, with certain exceptions over a deviation route as follows: Between junction U.S. Highway 6 and unnumbered highway (formerly U.S. Highway 6) east of Grinnell, Iowa, and junction unnumbered highway and U.S. Highway 6 west of Ladora, Iowa, over U.S. Highway 6. The notice indicates that the carrier is presently authorized to transport the same commodities over a pertinent service route as follows: From junction U.S. Highway 6 and unnumbered highway (formerly

U.S. Highway 6) over unnumbered highway via Brooklyn, Carnforth, and Victor, Iowa, to junction U.S. Highway 6, thence over U.S. Highway 6 to Chicago, Ill., and return over the same route.

By the Commission.

[SEAL]

H. NEIL GARSON,
Secretary.

[F.R. Doc. 65-7941; Filed, July 27, 1965; 8:47 a.m.]

[Notice 796]

MOTOR CARRIER APPLICATIONS AND CERTAIN OTHER PROCEEDINGS

JULY 23, 1965.

The following publications are governed by the new Special Rule 1.247 of the Commission's rules of practice, published in the FEDERAL REGISTER, issue of December 3, 1963, which became effective January 1, 1964.

The publications hereinafter set forth reflect the scope of the applications as filed by applicants, and may include descriptions, restrictions, or limitations which are not in a form acceptable to the Commission. Authority which ultimately may be granted as a result of the applications here noticed will not necessarily reflect the phraseology set forth in the application as filed, but also will eliminate any restrictions which are not acceptable to the Commission.

APPLICATIONS ASSIGNED FOR ORAL HEARING

MOTOR CARRIERS OF PROPERTY

No. MC 107002 (Sub-No. 249) (Correction), filed April 16, 1965, published FEDERAL REGISTER, issue of May 13, 1965, and republished as corrected this issue. Applicant: HEARIN-MILLER TRANSPORTERS, INC., Post Office Box 1123 (Highway 80 West), Jackson, Miss. Applicant's attorney: Harry C. Ames, Jr., 529 Transportation Building, Washington, D.C., 20006. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Anhydrous ammonia, in bulk, in tank vehicles, and dry urea, in bulk, from the plant site of American Cyanamid in Avondale, La., to points in Alabama, Arkansas, Florida, Georgia, Kansas, Kentucky, Louisiana, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, and Texas. NOTE: Applicant states no duplication of authority is sought. The purpose of this correction is to show applicant's correct name.

HEARING: September 14, 1965, at the offices of the Interstate Commerce Commission, Washington, D.C., before Examiner James I. Carr.

No. MC 105248 (Sub-No. 6) (Republication), filed January 3, 1962. Applicant: BERNARD O. BOWSER, doing business as BOWSER TRANSFER COMPANY, Punxsutawney, Pa. Applicant's attorney: Chester A. Zyblut, 1000 Connecticut Avenue NW., Washington, D.C. By application filed January 3, 1962, applicant seeks a certificate of public convenience and necessity authorizing operation, in interstate or foreign commerce, as a common carrier by motor vehicle, over irregular routes, of general

commodities, with the usual exceptions, between Big Run, Jefferson County, Pa., and points within 25 miles thereof, on the one hand, and, on the other, points in Pennsylvania. A report and order of the Commission, Operating Rights Review Board Number 2, decided February 23, 1965, served March 3, 1965, in No. MC-C-3442, which also embraces MC-105248 (Sub-No. 67), it was found that the present and future public convenience and necessity require operation by applicant, in interstate or foreign commerce, as a common carrier, by motor vehicle, over irregular routes, of general commodities (except classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and commodities requiring special equipment), between Big Run, Jefferson County, Pa., and points within 25 miles of Big Run, on the one hand, and, on the other, Pittsburgh and Philadelphia, Pa. Since the authority being granted is somewhat broader than that sought, notice thereof is being published in the FEDERAL REGISTER and issuance of a certificate will be withheld until the lapse of 30 days from the date of such republication, during which time any interested party may file an appropriate pleading seeking leave to intervene.

No. MC 125900 (REPUBLICATION), filed December 20, 1963, published March 24, 1965, and republished this issue. Applicant: ROBERT E. DUNN AND JOSEPH DUNN, doing business as DUNN BROS., 50 East Central Avenue, North Judson, Ind. By application filed December 20, 1963, applicant seeks a certificate of public convenience and necessity authorizing operation, in interstate or foreign commerce, as a common carrier by motor vehicle, over irregular routes, of disabled and repaired motor vehicles, (1) between points in Starke County, Ind., and (2) between points in Starke County, Ind., Sioux Falls, S. Dak., Minneapolis, Minn., Des Moines and Davenport, Iowa, Springfield and Chicago, Ill., Roanoke, Va., Milwaukee, Wis., Louisville, Ky., Nashville and Knoxville, Tenn., Atlanta, Ga., Columbia, S.C., Raleigh, N.C., Charleston, W. Va., Detroit, Mich., New York, N.Y., Pittsburgh and Philadelphia, Pa., Baltimore, Md., Dover, Del., Trenton, N.J., and Cincinnati, Columbus, Toledo, Cleveland, and Canton, Ohio. The application was referred to Examiner Dallas B. Russell for hearing and the recommendation of an appropriate order thereon. Hearing was held on April 12, 1965 at Indianapolis, Ind. A report and recommended order, served June 11, 1965, which became effective July 12, 1965, finds (1) that to the extent the application seeks authority for the emergency transportation by towing, of accidentally wrecked or disabled motor vehicles, in interstate or foreign commerce, it should be dismissed, (2) further that the present and future public convenience and necessity require operation by applicants as a common carrier, by motor vehicle, in interstate or foreign commerce, over irregular routes, (a) of wrecked, disabled, and repossessed motor vehicles, by use of wrecker equipment only, and (b) the

movement of the vehicles described in (a) above, subsequent to repair, between points in Starke County, Ind., Sioux Falls, S. Dak., Minneapolis, Minn., Des Moines and Davenport, Iowa, Springfield and St. Louis, Mo., Springfield and Chicago, Ill., Roanoke, Va., Milwaukee, Wis., Louisville, Ky., Nashville and Knoxville, Tenn., Atlanta, Ga., Columbia, S.C., Raleigh, N.C., Charleston, W. Va., Detroit, Mich., New York, N.Y., Pittsburgh and Philadelphia, Pa., Baltimore, Md., Dover, Del., Trenton, N.J., and Cincinnati, Columbus, Toledo, Cleveland, and Canton, Ohio. Since part of the grant herein involves services not sought in the instant application, it is necessary to publish the recommended findings in the FEDERAL REGISTER. Such action will withhold issuance of a certificate for a period of 30 days from the date of such publication in order to afford any properly interested person an opportunity to file an appropriate pleading.

NOTICE OF FILING OF PETITIONS

No. MC 66562 (Sub-No. 1332) (PETITION FOR EXTENSION), filed June 23, 1965. Petitioner: RAILWAY EXPRESS AGENCY, INCORPORATED, 219 East 42d Street, New York, N.Y., 10017. Petitioners attorney: William H. Marx (same address as petitioner). Petitioner is authorized in MC 66562 (Sub-No. 1332) to transport general commodities, moving in express service, between Spokane, Wash., and Wallace, Idaho, over U.S. Highway 10, serving the intermediate points of Dishman, Wash., and Couer d'Alene and Kellogg, Idaho, subject to certain restrictions. The subject certificate limits the transportation of Class A and B explosives for a period expiring 5 years after November 18, 1957. By the instant petition, petitioner requests that the authority to transport the commodities classified as Class A, B, and C Explosives in the Commission's Rules and Regulations covering the transportation of explosives and other dangerous articles be extended on a permanent basis beyond the period of 5 years from the effective date of said certificate. Any person or persons desiring to participate in this proceeding, may, within 30 days from the date of this publication in the FEDERAL REGISTER, file an appropriate pleading, consisting of an original and six copies each.

APPLICATIONS UNDER SECTIONS 5 AND 210a(b)

The following applications are governed by the Interstate Commerce Commission's special rules governing notice of filing of applications by motor carriers of property or passengers under sections 5(a) and 210a(b) of the Interstate Commerce Act and certain other proceedings with respect thereto (49 C.F.R. 1.240).

MOTOR CARRIERS OF PROPERTY

No. MC-F-9166. Authority sought for purchase by SANBORN'S MOTOR EXPRESS, INC., Post Office Box 312, Norway, Maine (mailing address), Fore Street Road, Oxford, Maine of the operating rights and property of ROY BROS.

TRANSPORTATION COMPANY, INC., 101 Knox Street, Lewiston, Maine, and for acquisition by HOWARD L. SANBORN, 99 Pine Street, South Paris, Maine, H. BLAINE SANBORN, 6 Pleasant Street, Norway, Maine, and DWIGHT L. SANBORN, 8 Kevin Heights, South Paris, Maine, of control of such rights and property through the purchase. Applicants' attorney: Mary E. Kelley, 10 Tremont Street, Boston, Mass. Operating rights sought to be transferred: General commodities, excepting, among others, household goods and commodities in bulk, as a common carrier over irregular routes, from Augusta, Waterville, Lewiston, and Rumford, Maine, to points in Androscoggin, Cumberland, Franklin, Hancock, Kennebec, Knox, Lincoln, Oxford, Sagadahoc, Somerset, Waldo, and York Counties, Maine; and under a certificate of registration, in Docket No. MC-57245, Sub 2, in intrastate commerce covering the transportation of property within the State of Maine. Vendee is authorized to operate as a common carrier in Maine, Massachusetts, and New Hampshire. Application has been filed for temporary authority under section 210a(b).

No. MC-F-9167. Authority sought for continuance in control by STANFORD S. BLOCK and SELMA S. BLOCK, both of 1212 East 19th Street, Kansas City, Mo., of MERCHANTS DELIVERY CO., 1212 East 19th Street, Kansas City, Mo., upon issuance to it of a certificate applied for in pending Docket No. MC-119990, Sub 1. Applicants' attorneys: W. E. Griffin and F. W. Taylor, Jr., both of 1221 Baltimore, Kansas City, Mo., 64105. Operating rights sought to be controlled: In pending Docket No. MC-119990, Sub 1, covering the transportation of general commodities, excepting, among others, household goods and commodities in bulk as a common carrier, over irregular routes, between certain specified points in Missouri, Kansas, and Oklahoma, with certain restrictions. STANFORD S. BLOCK and SELMA BLOCK, hold no authority from this Commission. However, applicants are the controlling stockholders of MERCHANTS CONTRACT DELIVERIES, INC., 1212 East 19th Street, Kansas City, Mo., which is authorized to operate as a contract carrier in Missouri and Kansas. Application has not been filed for temporary authority under section 210a(b).

No. MC-F-9168. Authority sought for purchase by BASS TRANSPORTATION CO., INC., Star Route A—Old Croton Road, Flemington, N.J., of a portion of the operating rights of RUSSO TRUCKING CO., INC., 2501 94th Street, North Bergen, N.J., and for acquisition by LEO Y. SELESNICK, Tratcher's Hill, Flemington, N.J., of control of such rights through the purchase. Applicants' attorney: Bert Collins, 140 Cedar Street, New York, N.Y. Operating rights sought to be transferred: Hard surface floor coverings and incidental materials and supplies used in or in connection with the installation or laying thereof, when moving in the same vehicle therewith, as a contract carrier over irregular routes,

from Hamilton Township, N.J., to Washington, D.C., and points in Pennsylvania, New York, Maryland, Connecticut, Delaware, Rhode Island, and Massachusetts. **RESTRICTION:** The service authorized herein is subject to the following conditions: The operations authorized herein are limited to a transportation service to be performed, under a continuing contract, or contracts, with American Bilt-Rite Rubber Co., Inc., of Hamilton Township, N.J. The authority granted herein shall be subject to the right of the Commission, which is hereby expressly reserved, to impose such terms, conditions, or limitations in the future as it may find necessary in order to insure that carrier's operations shall conform to the provisions of section 210 of the act. Vendee is authorized to operate as a contract carrier in New York, New Jersey, Pennsylvania, Maine, Connecticut, Rhode Island, Massachusetts, Delaware, Maryland, Virginia, West Virginia, Ohio, Michigan, New Hampshire, Vermont, and the District of Columbia. Application has not been filed for temporary authority under section 210a(b).

No. MC-F-9169. Authority sought for purchase by CONSOLIDATED FREIGHTWAYS CORPORATION OF DELAWARE, 175 Linfield Drive, Menlo Park, Calif., of the operating rights and property of PACIFIC TRUCK SERVICE, INC., 600-700 Park Avenue, San Jose, Calif., and for acquisition by CONSOLIDATED FREIGHTWAYS, INC., 1530 Russ Building, San Francisco, Calif., 94104, of control of such rights and property through the purchase. Applicants' attorneys: Edward M. Berol, 100 Bush Street, San Francisco, Calif., 94104, and Robert C. Stetson, 175 Linfield Drive, Menlo Park, Calif. Operating rights sought to be transferred: *Liquefied petroleum gases*, in bulk, in tank trucks, as a common carrier over irregular routes, from certain points in California, to certain points in Nevada, Idaho, and Washington, from certain points in California, to points in Oregon, from certain points in California to certain points in Nevada (with exceptions); *liquid chemicals*, and *acids*, in bulk, in tank vehicles, between points in California, between points in California on the one hand, and, on the other, points in Idaho, Nevada, Oregon, and Utah; *liquid fertilizers*, in bulk, in tank vehicles, from Woodland, Calif., to points in Nevada, with certain restrictions, *petroleum and petroleum products*, as described in Appendix XIII to the report in *Descriptions in Motor Carrier Certificates*, 61, M.C.C. 209, in bulk, in tank vehicles, from certain points in Nevada, to certain points in California; and *contaminated shipments*, of the above-specified commodities, from certain points in Nevada, to certain points in California. Vendee is authorized to operate as a common carrier in Oregon, Washington, Idaho, California, Nevada, Montana, North Dakota, Utah, Minnesota, Wisconsin, Illinois, New York, Pennsylvania, Maryland, Rhode Island, Massachusetts, South Dakota, Colorado, Arizona, Indiana, Missouri, Ohio, Delaware, New Jersey, Connecticut, Kentucky, West Virginia, Iowa, Wyoming, Georgia, North Carolina, Tennessee,

Oklahoma, Michigan, Nebraska, Alaska, Florida, Kansas, Virginia, Louisiana, Texas, New Mexico, and the District of Columbia. Application has been filed for temporary authority under section 210a(b).

No. MC-F-9170. Authority sought for merger into RED STAR EXPRESS LINES OF AUBURN, INCORPORATED, doing business as RED STAR EXPRESS LINES, 24-50 Wright Avenue, Auburn, N.Y., of the operating rights and property of BROWN'S EXPRESS, INC., 1595 East Street, Pittsfield, Mass., and for acquisition by JOHN BISGROVE, 264 East Genesee Street, Auburn, N.Y., of control of such rights and property through the transaction. Applicants' attorney: Leonard A. Jaskiewicz, 1155 15th Street NW., Washington, D.C. Operating rights sought to be merged: *General commodities*, excepting, among others, household goods and commodities in bulk, as a common carrier, over regular routes, between Springfield, Mass., and Albany, N.Y., between Pittsfield, Mass., and Williamstown and Sheffield, Mass., serving all intermediate points in Massachusetts, intermediate and off-route points within 10 miles of Albany, N.Y., and off route points in Berkshire County, Mass., between Springfield, Mass., and Athol, Mass., serving all intermediate and certain off-route points, between Albany, N.Y., and Glens Falls, N.Y., serving all intermediate points and the off-route point of Troy, N.Y., between Northampton, Mass., and Boston, Mass., serving certain intermediate and off-route points, two alternate routes for operating convenience only; *fertilizer*, over irregular routes, from South Deerfield, Mass., to Warren, R.I., points in Vermont, those in that part of New York south of a line beginning at the Massachusetts-New York State line, and extending through Cherrypain, N.Y., to Albany, and east of the Hudson River, and points in Litchfield, Hartford, Tolland, Windham and Middlesex Counties, Conn., from Bridgeport, New Haven, Hartford, Portland, and East Windsor, Conn., to South Deerfield, Mass.; *bone hoof, horn and vegetable meal*, and *tankage*, from New York, N.Y., and points within 10 miles thereof, to Leominster and South Deerfield, Mass., and points in Hartford County, Conn.; *lime and limestone products*, from New Haven Junction and Winooski, Vt., and Canaan, Conn., to points in Hampden, Hampshire, and Franklin Counties, Mass.; *agricultural commodities*, from points in Hampshire and Franklin Counties, Mass., to Providence, R.I., Philadelphia, Pa., points in Connecticut, points in New Jersey, within 25 miles of New York, N.Y., and those in New York east of a line beginning at Oswego, N.Y., and extending south to Waverly, N.Y., from Boston, Mass., to Springfield, Mass., Providence, R.I., New York, N.Y., and points in New York, within 10 miles of New York, N.Y., and points in Connecticut; and *burlap bags*, from Philadelphia, Pa., Jersey City, N.J., and New York, N.Y., to South Deerfield, Mass. RED STAR EXPRESS LINES OF AUBURN, INCORPORATED, doing business as RED STAR EXPRESS LINES, is authorized to operate as a common carrier in New York, New Jer-

sey, Pennsylvania, Connecticut, Massachusetts, and Vermont. Application has not been filed for temporary authority under section 210a(b). **NOTE:** RED STAR EXPRESS LINES OF AUBURN, INCORPORATED, doing business as RED STAR EXPRESS LINES controls BROWN'S EXPRESS, INC., through ownership of capital stock, pursuant to authority granted April 12, 1965, in Docket No. MC-F-8668.

No. MC-F-9171. Authority sought for purchase by BEATTY MOTOR EXPRESS, INC., Jefferson Avenue Extension, Washington, Pa., of a portion of the operating rights of ARCHIE'S MOTOR FREIGHT, INCORPORATED, Post Office Box 4121, Sixth and Maury Streets, Richmond, Va., and for acquisition by ROBERT C. BEATTY, SR., 633 East Beau Street, Washington, Pa., of control of such rights through the purchase. Applicants' attorneys: Henry M. Wick, Jr., 1515 Park Building, Pittsburgh, Pa., 15222, and M. Bruce Morgan, 201 Azar Building, Glen Burnie, Md., 21061. Operating rights sought to be transferred: *Prepared food products*, as a common carrier, over irregular routes, between points in New Jersey and Maryland (except Baltimore, Md.), on the one hand, and, on the other, points in that part of Pennsylvania on and south of U.S. Highway 422 and on and west of U.S. Highway 219. Vendee is authorized to operate as a common carrier in Pennsylvania, New York, West Virginia, Ohio, Maryland, Kentucky, Indiana, New Jersey, Delaware, Illinois, Michigan, Virginia, Connecticut, Massachusetts, Rhode Island, Vermont, and the District of Columbia. Application has not been filed for temporary authority under section 210a(b).

By the Commission.

[SEAL]

H. NEIL GARSON,
Secretary.

[F.R. Doc. 65-7942; Filed, July 27, 1965;
8:47 a.m.]

[Notice 13]

MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

JULY 23, 1965.

The following are notices of filing of applications for temporary authority under section 210a(a) of the Interstate Commerce Act provided for under the new rules in Ex Parte No. MC 67 (49 CFR Part 240), published in the FEDERAL REGISTER, issue of April 27, 1965, effective July 1, 1965. These rules provide that protests to the granting of an application must be filed with the field official named in the FEDERAL REGISTER publication, within 15 calendar days after the date notice of the filing of the application is published in the FEDERAL REGISTER. One copy of such protest must be served on the applicant, or its authorized representative, if any, and the protest must certify that such service has been made. The protest must be specific as to the service which such protestant can and will offer, and must consist of a signed original and six (6) copies.

A copy of the application is on file, and can be examined, at the Office of the

Secretary, Interstate Commerce Commission, Washington, D.C., and also in the field office to which protests are to be transmitted.

MOTOR CARRIERS OF PROPERTY

No. MC 13026 (Sub-No. 9 TA), filed July 21, 1965. Applicant: HARRY D. STEWART, doing business as STEWART TRUCKING, Post Office Box 344, Mars, Pa., 16046. Applicant's representative: Arthur J. Diskin, 320 Frick Building, Pittsburgh, Pa., 15219. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Building brick*, from Mansfield and Wadsworth, Ohio to points in Beaver, Allegheny and Westmoreland Counties, Pa., for 150 days. SUPPORTING SHIPPER: Darlington Clay Products, General Dynamics Corp., One Parkway Center, 875 Greentree Road, Pittsburgh, Pa., 15220. SEND PROTESTS TO: Gasper Plovarchy, District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, 2109 Federal Building, Pittsburgh, Pa., 15222.

No. MC 13569 (Sub-No. 16 TA), filed July 21, 1965. Applicant: THE LAKE SHORE MOTOR FREIGHT COMPANY (a corporation), 1200 South State Street, Girard, Ohio. Applicant's representative: A. David Millner, 1060 Broad Street, Newark, N.J. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Iron and steel and Iron and Steel Articles*, over irregular routes, between Warren, Ohio, and Aliquippa, Pa., on the one hand, and, on the other, points in Illinois, Indiana, and the southern peninsula of Michigan, for 180 days. SUPPORTING SHIPPERS: Jones & Laughlin Steel Corp., 3 Gateway Center, Pittsburgh, Pa., and Van Huffel Tube Corp., Warren, Ohio. SEND PROTESTS TO: G. J. Baccie, District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, 435 Federal Building, Cleveland, Ohio.

No. MC 15640 (Sub-No. 10 TA), filed July 21, 1965. Applicant: DeBOLT TRANSFER, INC., 335 East Seventh Avenue, Homestead, Pa., 15120. Applicant's representative: Jerome Solomon, 1302 Grant Building, Pittsburgh, Pa., 15219. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Iron and steel articles*, from Pittsburgh, Pa., and its commercial zone as defined in 49 CFR 170.28, and Aliquippa, Pa. to points in the Lower Peninsula of Michigan, Indiana, and Illinois, for 150 days. SUPPORTING SHIPPER: Jones & Laughlin Steel Corp., 3 Gateway Center, Pittsburgh, Pa., 15230. SEND PROTESTS TO: Gasper Plovarchy, Jr., District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, 2109 Federal Building, 1000 Liberty Avenue, Pittsburgh, Pa.

No. MC 40007 (Sub-No. 77 TA), filed July 21, 1965. Applicant: RELIABLE TRANSPORTATION COMPANY (a corporation), 4817 Sheila Street, Los Angeles, Calif., 90022. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transport-

ing: *Muriatic acid*, in bulk, in tank vehicles, from the port of entry on the international boundary line between the United States and Mexico, at Calexico, Calif. to points in California south of an imaginary line drawn east and west through Fresno, Calif., for 150 days. SUPPORTING SHIPPERS: Mr. C. Wendell Uhrich, Operations Manager, McKesson & Robbins, Inc., Chemical Branch, 5353 Jillson Street, Post Office Box 22025, Los Angeles 22, Calif. SEND PROTESTS TO: District Supervisor W. J. Huetig, Bureau of Operations and Compliance, Interstate Commerce Commission, Room 7708 Federal Building, 300 North Los Angeles Street, Los Angeles, Calif., 90012.

No. MC 59368 (Sub-No. 6 TA), filed July 19, 1965. Applicant: ELDON O. BRIGHT, doing business as BRIGHT'S FREIGHT SERVICE, Route 3, Topeka, Kans. Applicant's representative: John E. Jandera, 641 Harrison Street, Topeka, Kans., 66603. Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *General commodities* (except those of unusual value, dangerous explosives, and commodities requiring special equipment), between Topeka, Kans., on the one hand, and, on the other, Louisville, Westmoreland, Blaine, Wheaton, Fostoria, and Olsburg, Kans., over highways designated as follows: Between Topeka, Kans., over U.S. Highway 24 to Wamego, thence North on State Highway 99 through Louisville, Westmoreland and Blaine to the junction of State Highway 99 and State Highway 16, thence East on State Highway 16 to Wheaton, thence return via State Highway 16 to Fostoria and Olsburg, thence return via Kansas Highway 16 to Blaine, thence via State Highway 99 to Wamego, thence on U.S. Highway 24 to Topeka with service authorized between Topeka, Kans., on the one hand, and Louisville, Westmoreland, Blaine, Wheaton, Fostoria, and Olsburg, Kans., on the other, for 180 days. SUPPORTING SHIPPERS: Alfonso F. Kufahl, Wheaton, Kans., Reuben Larson, Olsburg, Kans., W. A. Harrington, Blaine, Kans., Kermit R. Fairbanks, Wheaton, Kans., Betty M. Woodward, Louisville, Kans., Vernon L. Burkland, doing business as Burkland Oil Co., Olsburg, Kans., C. C. Schreiber, Westmoreland, Kans., Lyle Webster, Fostoria, Kans., William J. Knipp, Westmoreland, Kans., George W. Barnes, Westmoreland, Kans. SEND PROTESTS TO: I. C. Peterson, Bureau of Operations and Compliance, Interstate Commerce Commission, 309 Federal Building, Topeka, Kans., 66603.

No. MC 59680 (Sub-No. 148 TA), filed July 20, 1965. Applicant: STRICKLAND TRANSPORTATION CO., INC., 3011 Gulden Lane, Post Office Box 5689, Dallas, Tex. Applicant's representative: Wayne Collinsworth, General Traffic Manager (same address as applicant's). Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *General commodities* (except those of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), from Philadelphia,

Pa., to Baltimore, Md., and Washington, D.C., over Interstate Highway 95, and return over the same route, serving no intermediate points, for 180 days. SUPPORTING SHIPPERS: The application has over 300 letters of support attached thereto, which may be examined here at the Commission in Washington, D.C., or in the Dallas, Tex. office. SEND PROTESTS TO: E. K. Willis, Jr., District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, 513 Thomas Building, 1314 Wood Street, Dallas, Tex., 75202.

No. MC 68539 (Sub-No. 15 TA), filed July 21, 1965. Applicant: ROMANS MOTOR FREIGHT, INC., Ord, Nebr. Applicant's representative: Charles W. Kimball, 605 South 14th Street, Box 2028, Lincoln, Nebr. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, meat byproducts, and articles distributed by meat packinghouses*, from points in Adams County, Nebr. to points in Kansas, South Dakota, Oklahoma and North Dakota, for 180 days. SUPPORTING SHIPPER: Snyder Packing Co., Box 173, Hastings, Nebr. SEND PROTESTS TO: District Supervisor Max H. Johnston, Bureau of Operations and Compliance, Interstate Commerce Commission, 315 Post Office Building, Lincoln, Nebr., 68508.

No. MC 107002 (Sub-No. 258 TA), filed July 21, 1965. Applicant: HEARIN-MILLER TRANSPORTERS, INC., Post Office Box 1123, Highway 80 West, Jackson, Miss. Applicant's representative: D. D. Kennedy, Post Office Box 1123, Jackson, Miss. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Acrylonitrile*, in bulk, in tank vehicles, from the plant site of American Cyanamid at or near Avondale, La., to Decatur, Ala., for 180 days. SUPPORTING SHIPPER: American Cyanamid Co., Post Office Box 10008, New Orleans, La., 70121 (J. C. Bolles, Traffic Supervisor). SEND PROTESTS TO: Ray G. Atherton, Jr., District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, 320 U.S. Post Office Building, Jackson, Miss., 39201.

No. MC 124377 (Sub-No. 2 TA), filed July 21, 1965. Applicant: REFRIGERATED FOODS, INC., 3200 Blake Street, Denver, Colo. Applicant's representative: Bert L. Penn, 30 South Emerson Street, Denver, Colo. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Meat, meat products and meat byproducts* as described in Appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 208 and 766, from the plantsites of Sigman Meat Co., Inc., located at Brush, Colo., and at 6000 West 54th Avenue, Jefferson County, Colo., and storage facilities located in Denver, Colo., utilized by Sigman Meat Co., Inc., to Bakersfield, Burbank, Burlingame, Chualar, Chico, Culver City, Emeryville, Glendale, Lakewood, Los Angeles, Long Beach, Marysville, Mountain View, Oakland, San Diego, San Francisco, San Jose, San Leandro,

San Mateo, San Ysidro, Sacramento, Palo Alto, Richmond, National City, Modesto, Stockton, and Vernon, Calif., Phoenix, Tucson and Mesa, Ariz., Reno and Las Vegas, Nev., for 180 days. SUP-PORTING SHIPPER: Sigman Meat Co.,

Inc., Post Office Box 5292 T.A., Denver, Colo., 80217. SEND PROTESTS TO: District Supervisor Luther H. Oldham, Jr., Bureau of Operations and Compliance, Interstate Commerce Commission, 2022 Federal Building, Denver Colo.

By the Commission.

[SEAL]

H. NEIL GARSON,
Secretary.

[P.R. Doc. 65-7944; Filed, July 27, 1965; 8:47 a.m.]

CUMULATIVE LIST OF CFR PARTS AFFECTED—JULY

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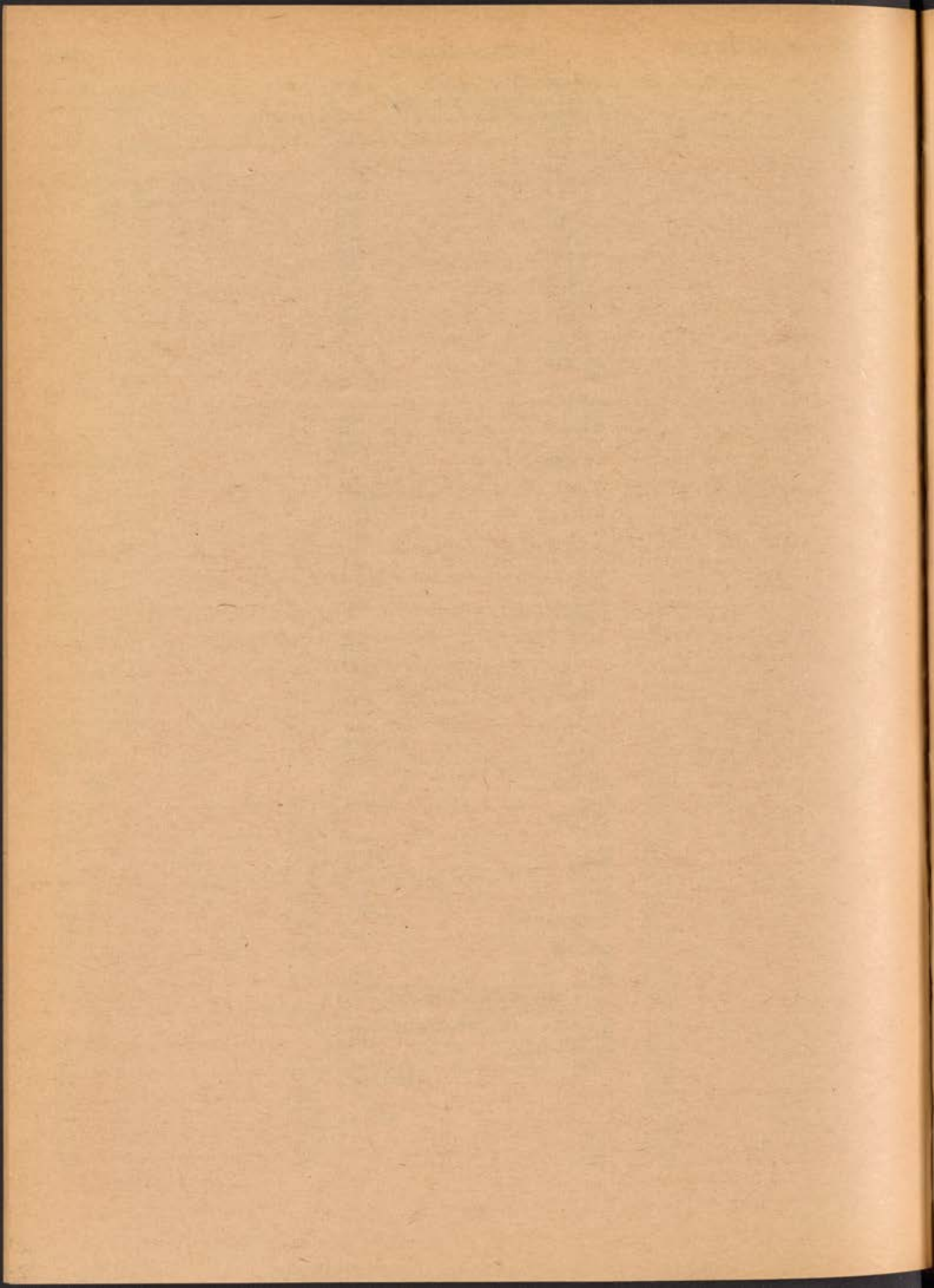
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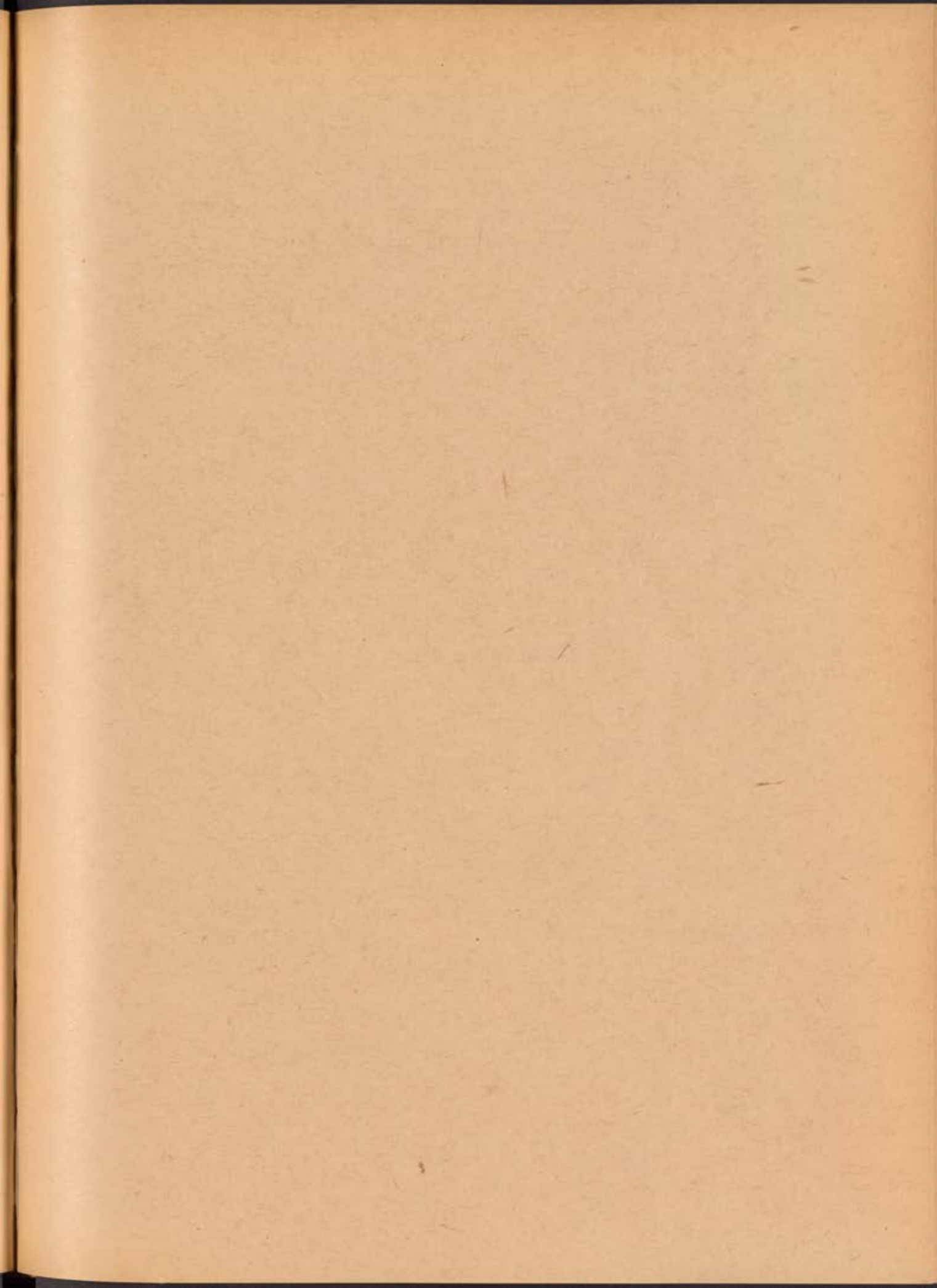
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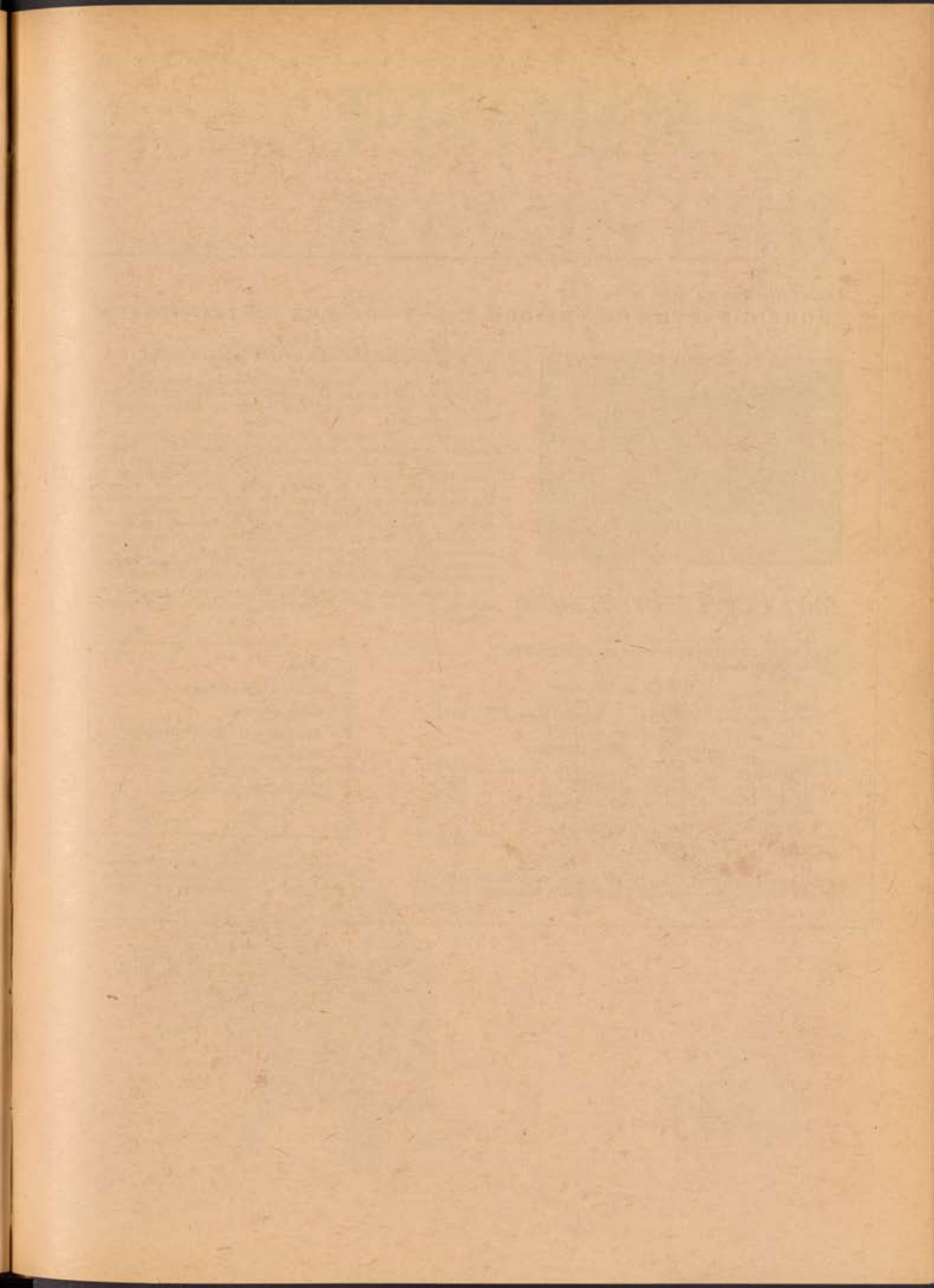
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