

PART 524—OPHTHALMIC AND TOPICAL DOSAGE FORM NEW ANIMAL DRUGS

■ 1. The authority citation for 21 CFR part 524 continues to read as follows:

Authority: 21 U.S.C. 360b.

■ 2. Section 524.770 is revised to read as follows:

§ 524.770 Doramectin.

(a) *Specifications.* Each milliliter (mL) of solution contains 5 milligrams (mg) doramectin.

(b) *Sponsor.* See No. 000069 in § 510.600(c) of this chapter.

(c) *Related tolerances.* See § 556.225 of this chapter.

(d) *Special considerations.* See § 500.25 of this chapter.

(e) *Conditions of use in cattle—(1) Amount.* Administer topically as a single dose 0.5 mg (1 mL) per kilogram (1 mL per 22 pounds) body weight.

(2) *Indications for use.* For treatment and control of gastrointestinal roundworms: *Ostertagia ostertagi* (adults and fourth-stage larvae), *O. ostertagi* (inhibited fourth-stage larvae), *O. lyrata* (adults), *Haemonchus placei* (adults and fourth-stage larvae), *Trichostrongylus axei* (adults and fourth-stage larvae), *T. colubriformis* (adults and fourth-stage larvae), *Cooperia oncophora* (adults and fourth-stage larvae), *C. punctata* (adults and fourth-stage larvae), *C. pectinata* (adults), *C. surnabada* (adults), *Bunostomum phlebotomum* (adults), *Oesophagostomum radiatum* (adults and fourth-stage larvae), *Trichuris* spp. (adults); lungworms: *Dictyoacaulus viviparus* (adults and fourth-stage larvae); eyeworms: *Thelazia gulosa* (adults), *T. skrjabini* (adults); grubs: *Hypoderma bovis* and *H. lineatum*; sucking lice: *Linognathus vituli*, *Haematopinus eurysternus*, and *Solenopotes capillatus*; biting lice: *Damalinia bovis*; mange mites: *Chorioptes bovis* and *Sarcoptes scabiei*; horn flies: *Haematobia irritans*; and to control infections and to protect from reinfection with *C. oncophora*, *D. viviparus*, *O. ostertagi*, and *O. radiatum* for 28 days; and with *C. punctata*, and *H. placei* for 35 days after treatment.

(3) *Limitations.* Do not slaughter cattle within 45 days of latest treatment. Not for use in female dairy cattle 20 months of age or older. Do not use in calves to be processed for veal.

Dated: July 28, 2004.

Steven D. Vaughn,

Director, Office of New Animal Drug Evaluation, Center for Veterinary Medicine. [FR Doc. 04-18165 Filed 8-9-04; 8:45 am]

BILLING CODE 4160-01-S

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[TD 9148]

RIN 1545-BC06

Transfers of Compensatory Options

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final regulations.

SUMMARY: This document contains regulations that provide rules governing transfers of certain compensatory stock options (nonstatutory stock options). The regulations affect persons who have been granted nonstatutory stock options, as well as service recipients who may be entitled to deductions related to the options.

DATES: *Effective Date:* These regulations are effective August 10, 2004.

Applicability Dates: These regulations apply to transfers of nonstatutory stock options on or after July 2, 2003.

FOR FURTHER INFORMATION CONTACT: Stephen Tackney (202) 622-6030 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

These regulations amend 26 CFR part 1. On July 2, 2003, a temporary regulation (TD 9067) relating to transfers of compensatory options was published in the **Federal Register** (68 FR 39453). A notice of proposed rulemaking (REG-116914-03) was published in the **Federal Register** for the same day (68 FR 39498). No public hearing was requested or held. No written or electronic comments responding to the notice of proposed rulemaking were received. The proposed regulations are adopted without change by this Treasury decision, and the corresponding temporary regulations are removed.

Special Analyses

It has been determined that these regulations are not a significant regulatory action as defined in Executive Order 12866. Therefore, a regulatory assessment is not required. It also has been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) does not apply to these regulations, and because these regulations do not impose a collection of information on small entities, the Regulatory Flexibility Act (5 U.S.C. chapter 6) does not apply. Pursuant to section 7805(f) of the Code, these regulations were submitted to the Chief

Counsel for Advocacy of the Small Business Administration for comment on their impact on small business.

Drafting Information

The principal author of these final regulations is Stephen Tackney of the Office of Division Counsel/Associate Chief Counsel (Tax Exempt and Government Entities). However, other personnel from the IRS and Treasury Department participated in their development.

List of Subjects in 26 CFR Part 1

Income taxes, Reporting and recordkeeping requirements.

Adoption of Amendments to the Regulations

■ Accordingly, 26 CFR part 1 is amended as follows:

PART 1—INCOME TAXES

■ **Paragraph 1.** The authority citation for part 1 is amended by removing the entry for “1.83-7T” and continues to read in part as follows:

Authority: 26 U.S.C. 7805 * * *.

■ **Par. 2.** § 1.83-7 is amended as follows:

■ 1. Paragraph (a) is amended by adding two sentences at the end.

■ 2. Paragraphs (a)(1) and (a)(2) are added.

■ 3. Paragraph (d) is revised.

The additions read as follows:

§ 1.83-7 Taxation of nonqualified stock options.

(a) * * * The preceding sentence does not apply to a sale or other disposition of the option to a person related to the service provider that occurs on or after July 2, 2003. For this purpose, a person is related to the service provider if—

(1) The person and the service provider bear a relationship to each other that is specified in section 267(b) or 707(b)(1), subject to the modifications that the language “20 percent” is used instead of “50 percent” each place it appears in sections 267(b) and 707(b)(1), and section 267(c)(4) is applied as if the family of an individual includes the spouse of any member of the family; or

(2) The person and the service provider are engaged in trades or businesses under common control (within the meaning of section 52(a) and (b)); provided that a person is not related to the service provider if the person is the service recipient with respect to the option or the grantor of the option.

* * * * *

(d) This section applies on and after July 2, 2003. For transactions prior to

that date, see § 1.83–7 as published in 26 CFR part 1 (revised as of April 1, 2003).

§ 1.83–7T [Removed]

■ **Par. 3.** Section 1.83–7T is removed.

Linda M. Kroening,

Acting Assistance Deputy Commissioner for Services and Enforcement.

Approved: July 28, 2004.

Gregory Jenner,

Acting Assistant Secretary of the Treasury.

[FR Doc. 04–18159 Filed 8–9–04; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Parts 40 and 49

[TD 9149]

RIN 1545–BB76

Collected Excise Taxes; Duties of Collector

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final and temporary regulations.

SUMMARY: This document contains final and temporary regulations relating to the obligations of persons that receive payments for air transportation or communications services subject to excise tax when persons liable for tax refuse to pay the tax. These temporary regulations affect persons that receive payments subject to tax and persons liable for those taxes. The text of the temporary regulations also serves as the text of the proposed regulations (REG–163909–02) set forth in the notice of proposed rulemaking on this subject in the Proposed Rules section in this issue of the **Federal Register**.

DATES: *Effective Date:* These regulations are effective October 1, 2004.

Applicability Dates: For dates of applicability, see §§ 40.6302(c)–3T(b)(2)(ii) and 49.4291–1T.

FOR FURTHER INFORMATION CONTACT: Taylor Cortright (202) 622–3130 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

This document contains amendments to the Excise Tax Procedural Regulations (26 CFR part 40) and the Facilities and Services Excise Tax Regulations (26 CFR part 49). Section 4251 of the Internal Revenue Code (Code) imposes an excise tax on amounts paid for certain

communications services. Sections 4261(a) and (b) impose excise taxes on amounts paid for taxable transportation of persons by air. Section 4261(e)(3) provides that any amount paid to an air carrier or related party for the right to provide mileage awards for (or other reductions in the cost of) any transportation of persons by air is treated for purposes of section 4261(a) as an amount paid for taxable transportation and is therefore subject to tax. Section 4261(c) imposes an excise tax on any amount paid for the air transportation of persons that begins or ends in the United States. Section 4271 imposes an excise tax on amounts paid for taxable transportation of property by air. These taxes collectively are referred to as collected excise taxes.

For each of the collected excise taxes, the person liable for the tax is the person making the payment on which tax is imposed (the taxpayer). Under section 4291, the person receiving the payment on which tax is imposed (the collector) generally must collect the tax from the person making the payment and pay it over to the government.

If the taxpayer refuses to pay the tax the collector is required, under § 49.4291–1, to report this refusal to the IRS. The IRS will then assert the tax against the taxpayer. Current regulations do not specify the time within which the collector must report this refusal to the IRS.

Collectors are responsible for filing returns with respect to the collected excise taxes and for making deposits of tax as required by section 6302. Section 40.6302(c)–3 provides an alternative method for computing the amount of deposits of collected excise taxes. Under the alternative method, collectors may compute the amount of tax to be deposited on the basis of amounts considered as collected instead of on the basis of actual collections of tax. A person may use the alternative method with respect to a tax only if the person separately accounts for the tax. The separate account must reflect for each month all items of tax that are included in amounts billed or tickets sold to customers during the month and items of adjustment (including bad debts and errors) relating to the tax for prior months within the period of limitations for credits or refunds. When a collector using the alternative method determines that a taxpayer has refused to pay the tax, the collector adjusts the separate account to reflect that the tax was not collected. Current regulations do not specify the time for adjusting the separate account to reflect that refusal.

The temporary regulations provide that the collector must report the refusal

to pay the tax to the IRS by the due date of the return on which the tax would have been reported but for the refusal to pay. In addition, the temporary regulations provide that, for a person using the alternative method, the separate account cannot be adjusted to reflect a refusal to pay tax for the month unless such refusal has been reported.

Special Analyses

It has been determined that this Treasury decision is not a significant regulatory action as defined in Executive Order 12866. Therefore, a regulatory assessment is not required. It also has been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) does not apply to these regulations. For applicability of the Regulatory Flexibility Act, please refer to the cross-referenced notice of proposed rulemaking published elsewhere in this issue of the **Federal Register**. Pursuant to section 7805(f) of the Code, these temporary regulations will be submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on their impact on small business.

Drafting Information

The principal author of these regulations is Patrick S. Kirwan, Office of Associate Chief Counsel (Passthroughs and Special Industries). However, other personnel from the IRS and Treasury Department participated in their development.

List of Subjects

26 CFR Part 40

Excise taxes, Reporting and recordkeeping requirements.

26 CFR Part 49

Excise taxes, Reporting and recordkeeping requirements, Telephone, Transportation.

Adoption of Amendments to the Regulations

■ Accordingly, 26 CFR parts 40 and 49 are amended as follows:

PART 40—EXCISE TAX PROCEDURAL REGULATIONS

■ **Paragraph 1.** The authority citation for part 40 is amended by adding an entry in numerical order to read, in part, as follows:

Authority: 26 U.S.C. 7805 * * *
Section 40.6302(c)–3T also issued under 26 U.S.C. 6302 * * *

■ **Par. 2.** Section 40.6302(c)–3 is amended by:

■ a. Removing the language “and” at the end of paragraph (b)(2)(ii)(A).