

covered workforce is employed. For example, a normal retirement age under a governmental plan that is age 55 for a participant who has been credited with 25 years of service would satisfy the rule described in this paragraph.

(E) *Service-based combination safe harbor.* A normal retirement age under a governmental plan that is the earlier of the participant's age at which the participant has been credited with at least 25 years of service under the plan and an age that satisfies any other safe harbor provided under paragraphs (b)(2)(v)(B) through (D) of this section is deemed to be not earlier than the earliest age that is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed. For example, a normal retirement age under a governmental plan that is the earlier of the participant's age at which the participant has been credited with 25 years of service under the plan and the later of age 60 or the age at which the participant has been credited with 5 years of service under the plan would satisfy this safe harbor.

(F) *Age 50 safe harbor for qualified public safety employees.* A normal retirement age under a governmental plan that is age 50 or later is deemed to be not earlier than the earliest age that is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed if the participants to which this normal retirement age applies are qualified public safety employees (within the meaning of section 72(t)(10)(B)).

(G) *Sum of 70 safe harbor for qualified public safety employees.* A normal retirement age under a governmental plan that is the participant's age at which the sum of the participant's age plus the number of years of service that have been credited to the participant under the plan equals 70 or more, is deemed to be not earlier than the earliest age that is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed if the participants to which this normal retirement age applies are qualified public safety employees (within the meaning of section 72(t)(10)(B)).

(H) *Service-based safe harbor for qualified public safety employees.* A normal retirement age under a governmental plan that is the age at which the participant has been credited with at least 20 years of service under the plan is deemed to be not earlier than the earliest age that is reasonably representative of the typical retirement age for the industry in which the

covered workforce is employed if the participants to which this normal retirement age applies are qualified public safety employees (within the meaning of section 72(t)(10)(B)). For example, a normal retirement age that covers only qualified public safety employees and that is an employee's age when the employee has been credited with 25 years of service under a governmental plan would satisfy this safe harbor.

(I) *Reserved.*

(J) *Other normal retirement ages.* In the case of a normal retirement age under a governmental plan that fails to satisfy any safe harbor described in paragraph (b)(2)(ii) of this section or this paragraph (b)(2)(v), whether the age is not earlier than the earliest age that is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed is based on all of the relevant facts and circumstances.

(vi) *Special normal retirement age rule for certain plans.* See section 411(f), which provides a special rule for determining a permissible normal retirement age under certain defined benefit plans.

* * * * *

(4) *Effective/applicability date.* * * * In the case of a governmental plan (as defined in section 414(d)), the rules in paragraph (b)(2)(v) of this section are effective for employees hired during plan years beginning on or after the later of: January 1, 2017; or the close of the first regular legislative session of the legislative body with the authority to amend the plan that begins on or after the date that is 3 months after the final regulations are published in the **Federal Register**. However, a governmental plan sponsor may elect to apply the rules of paragraph (b)(2)(v) of this section to earlier periods. * * *

John M. Dalrymple,
Deputy Commissioner for Services and Enforcement.

[FR Doc. 2016-01639 Filed 1-26-16; 8:45 am]

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DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[REG-115452-14]

RIN 1545-BM12

Disguised Payments for Services; Hearing

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of a public hearing on notice of proposed rulemaking.

SUMMARY: This document provides a notice of public hearing on proposed regulations relating to disguised payments for services under section 707(a)(2)(A) of the Internal Revenue Code.

DATES: The public hearing is being held on Friday, February 26, 2016, at 10:00 a.m. The IRS must receive outlines of the topics to be discussed at the public hearing by Monday, February 8, 2016.

ADDRESSES: The public hearing is being held in the IRS Auditorium, Internal Revenue Service Building, 1111 Constitution Avenue NW., Washington, DC 20224. Due to building security procedures, visitors must enter at the Constitution Avenue entrance. In addition, all visitors must present photo identification to enter the building.

Send Submissions to CC:PA:LPD:PR (REG-115452-14), Room 5205, Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand-delivered Monday through Friday to CC:PA:LPD:PR (REG-115452-14), Couriers Desk, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC 20224 or sent electronically via the Federal eRulemaking Portal at www.regulations.gov (IRS REG-115452-14).

FOR FURTHER INFORMATION CONTACT: Concerning the proposed regulations, Wendy Kribell at (202) 317-6850; concerning submissions of comments, the hearing and/or to be placed on the building access list to attend the hearing Oluwafunmilayo Taylor at (202) 317-6901 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:

The subject of the public hearing is the notice of proposed rulemaking (REG-115452-14) that was published in the **Federal Register** on Thursday, July 23, 2015 (80 FR 43652).

The rules of 26 CFR 601.601(a)(3) apply to the hearing. Persons who wish to present oral comments at the hearing that submitted written comments by November 16, 2015, must submit an outline of the topics to be addressed and the amount of time to be denoted to each topic by Monday, February 8, 2016.

A period of 10 minutes is allotted to each person for presenting oral comments. After the deadline for receiving outlines has passed, the IRS will prepare an agenda containing the schedule of speakers. Copies of the agenda will be made available, free of charge, at the hearing or in the Freedom

of Information Reading Room (FOIA RR) (Room 1621) which is located at the 11th and Pennsylvania Avenue NW., entrance, 1111 Constitution Avenue NW., Washington, DC 20224.

Because of access restrictions, the IRS will not admit visitors beyond the immediate entrance area more than 30 minutes before the hearing starts. For information about having your name placed on the building access list to attend the hearing, see the **FOR FURTHER INFORMATION CONTACT** section of this document.

Martin V. Franks,

Chief, Publications and Regulations Branch, Legal Processing Division, Associate Chief Counsel, (Procedure and Administration).

[FR Doc. 2016-01520 Filed 1-26-16; 8:45 am]

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POSTAL REGULATORY COMMISSION

39 CFR Part 3020

[Docket No. RM2016-5; Order No. 2039]

Procedures Related to the Mail Classification Schedule

AGENCY: Postal Regulatory Commission.

ACTION: Proposed rulemaking.

SUMMARY: The Commission is proposing rules which amend the existing Commission rules related to the publication of specific notices related to the Mail Classification Schedule and Product Lists in the **Federal Register**. The proposed rules seek to modify Commission rules that require the publication of duplicative filings. The Commission invites public comment on the proposed rules.

DATES: *Comments are due:* February 26, 2016. *Reply comments are due:* March 14, 2016.

FOR FURTHER INFORMATION CONTACT: David A. Trissell, General Counsel, at 202-789-6820.

SUPPLEMENTARY INFORMATION:

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I. Background

The Postal Regulatory Commission (Commission) establishes a rulemaking docket pursuant to its responsibilities under the Postal Accountability and Enhancement Act (PAEA), Public Law 109-435, 120 Stat. 3198 (2006), to consider amendments to the

Commission's rules concerning the product lists, 39 CFR part 3020. The proposed amendments make minor changes to rules that obligate the Commission to publish, in the **Federal Register**, the initial proposals from the Postal Service requesting to modify the product lists published in the Mail Classification Schedule (MCS) and draft modifications to the MCS approved by the Commission. There is no statutory requirement that the Commission publish these notices and orders. Specifically the proposed rules remove the Commission's obligation to publish duplicative filings: (1) The initial notices and orders identifying a Postal Service request to modify the MCS, which are duplicative of the Postal Service notices/requests to modify the MCS; and (2) the orders identifying draft MCS changes approved by the Commission but not yet finalized in a modification to the MCS, which are duplicative of the quarterly MCS update. As required, pursuant to § 3020.14,¹ the Commission will continue to publish the modified MCS (as opposed to its draft) in the **Federal Register**.

II. Proposed Changes to the Publishing Requirements of Product Lists Under 39 CFR Part 3020

The changes proposed in this Order eliminate the requirements in the Commission's regulations that the Commission publish notices and final orders regarding proposed modifications and draft changes to the competitive and market dominant products of the MCS in the **Federal Register**.

The Commission must publish all actual modifications to the MCS in the **Federal Register**.² The Commission may eliminate publishing such notices and final orders regarding competitive and market dominant product modifications to the MCS in the **Federal Register** because neither constitutes an actual modification to the MCS.

The MCS is an interpretive rule, as it serves an advisory function of explaining how the Postal Service categorizes mail products and assures the Postal Service will provide a consistent and uniform interpretation of these products. The Commission's notice-and-comment requirements, based on 5 U.S.C. 553, do not apply to interpretive rules.³ Because the Postal

Service is required by statute to publish its proposed changes to the MCS in the **Federal Register**,⁴ a re-publication by the Commission is duplicative and not required by statute.⁵ Similarly, again because the MCS is an interpretive rule, the Commission is not obligated to provide notice-and-comment for modifications proposed by itself or third parties, such as the Public Representative or users of the mail.⁶

All actual changes on the MCS take effect only when the Commission issues the revised MCS (based on the draft). The Commission's final orders regarding proposed changes to the MCS state whether the change has been approved by the Commission and adds the change to a working draft of the MCS that can be found on the Commission's Web site. The working draft does not constitute a revised MCS.⁷ The Commission is only obligated to publish actual changes on interpretive rules in the **Federal Register**.⁸ An actual MCS modification occurs only when the Commission incorporates all the changes from the working draft into a final product and publishes the revised MCS in the **Federal Register**. Currently, the Commission issues a revised MCS on a quarterly basis.

Proposed changes to 39 CFR part 3020 related to the **Federal Register** publication requirement are reproduced below the Secretary's signature on this Order.

III. Invitation to Comment

Interested persons are invited to comment on the proposed changes to part 3020. Comments are due within 30 days of the date of publication of this notice in the **Federal Register**.

Pursuant to 39 U.S.C. 505, Katrina R. Martinez is designated as the Public Representative in this proceeding to represent the interests of the general public.

IV. Ordering Paragraphs

It is ordered:

1. Docket No. RM2016-5 is established for the purpose of receiving comments on the proposed changes to part 3020, as discussed in this Order.

⁴ 39 U.S.C. 3642(d)(1).

⁵ See 39 U.S.C. 3642, which only requires the Commission to publish actual changes, not proposed changes to the MCS in the **Federal Register**.

⁶ See 5 U.S.C. 553(b)(3)(A) and 39 U.S.C. 3642(d)(2). This does not prohibit the Commission from choosing, on its own accord, to publish such proposals to give the public opportunity for notice-and-comment.

⁷ The redline draft of the MCS is available to the public on the Commission's Web site.

⁸ 39 CFR 3020.14; 39 U.S.C. 3642.

¹ "Whenever the Postal Regulatory Commission modifies the list of products in the market dominant category or the competitive category, it shall cause notice of such change to be published in the **Federal Register**." 39 CFR 3020.14; 39 U.S.C. 3642(d)(1).

² 39 CFR 3020.14; 39 U.S.C. 3642(d)(1).

³ 5 U.S.C. 553(b)(3)(A).