

Litigation), CC:EL:GL. However, other personnel from the IRS and Treasury Department participated in their development.

List of Subjects in 26 CFR Part 301

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

Proposed Amendments to the Regulations

Accordingly, 26 CFR part 301 is proposed to be amended as follows:

PART 301—PROCEDURE AND ADMINISTRATION

Paragraph 1. The authority citation for part 301 continues to read in part as follows:

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

Par. 2. Section 301.7811-1 is amended by revising paragraphs (d) and (h) to read as follows:

§ 301.7811-1 Taxpayer Assistance Orders.

* * * * *

(d) *Authority to modify or rescind limited to Commissioner, Deputy Commissioner, or Taxpayer Ombudsman.* The Commissioner, the Deputy Commissioner, and the Ombudsman may modify or rescind a taxpayer assistance order. A district director, a service center director, a compliance center director, a regional director of appeals, or the superiors of those officials, may modify or rescind a taxpayer assistance order only with the specific written authorization of the Commissioner, Deputy Commissioner, or the Ombudsman.

* * * * *

(h) *Effective dates.* This section is effective on March 20, 1992, except paragraph (d) of this section which is effective on the date 90 days after the date of publication of these regulations as final regulations in the Federal Register.

Margaret Milner Richardson,
Commissioner of Internal Revenue.

[FR Doc. 96-8241 Filed 4-18-96; 8:45am]

BILLING CODE 4830-01-U

DEPARTMENT OF THE INTERIOR

Minerals Management Service

30 CFR Chapter II

RIN 1010-AB57

Meetings of the Indian Gas Valuation Negotiated Rulemaking Committee

AGENCY: Minerals Management Service, Interior.

ACTION: Notice of meetings.

SUMMARY: The Secretary of the Department of the Interior (Department) has established an Indian Gas Valuation Negotiated Rulemaking Committee (Committee) to develop specific recommendations with respect to Indian gas valuation under its responsibilities imposed by the Federal Oil and Gas Royalty Management Act of 1982, 30 U.S.C. 1701 *et seq.* (FOGRMA). The Department has determined that the establishment of this Committee is in the public interest and will assist the Agency in performing its duties under FOGRMA. This document announces meetings of the Committee.

DATES: The Committee will have meetings on the dates and the times shown below:

Wednesday, May 22, 1996—9:30 a.m. to 5 p.m.

Thursday, May 23, 1996—8 a.m. to 5 p.m.

Friday, May 24, 1996—8 a.m. to 5 p.m.
ADDRESSES: The meetings will be held in the Building 85 Auditorium at the Denver Federal Center, located at West 6th Avenue and Kipling Streets, Lakewood, Colorado.

Written statements may be submitted to Mr. Donald T. Sant, Deputy Associate Director for Valuation and Operations, Minerals Management Service, Royalty Management Program, P.O. Box 25165, MS-3100, Denver, CO 80225-0165.

FOR FURTHER INFORMATION CONTACT: Mr. Donald T. Sant, Deputy Associate Director for Valuation and Operations, Minerals Management Service, Royalty Management Program, P.O. Box 25165, MS 3100, Denver, CO 80225-0165, telephone number (303) 231-3899, fax number (303) 231-3194.

SUPPLEMENTARY INFORMATION: The location and dates of future meetings will be published in the Federal Register. The meetings will be open to the public without advanced registration. Public attendance may be limited to the space available. Members of the public may make statements during the meeting, to the extent time permits, and file written statements with the Committee for its consideration.

Written statements should be submitted to the address listed above. Minutes of Committee meetings will be available for public inspection and copying 10 days after each meeting at the Denver Federal Center address. In addition, the materials received to date during the input sessions are available for inspection and copying at the Denver Federal Center address.

Dated: April 12, 1996.

Robert E. Brown,
Acting Associate Director for Royalty Management.

[FR Doc. 96-9684 Filed 4-18-96; 8:45 am]

BILLING CODE 4310-MR-P

30 CFR Part 218

RIN 1010-AC01

Amendments to Regulations Governing Collection of Royalties, Rentals, Bonuses, and Other Monies Due the Federal Government

AGENCY: Minerals Management Service (MMS), Interior.

ACTION: Proposed rulemaking.

SUMMARY: MMS proposes to amend its regulations that specify how payments are made for mineral lease royalties, rentals, and bonuses. The changes are needed to incorporate revised U.S. Treasury requirements. Also, MMS proposes clearer language for other parts of this regulation.

DATES: Comments must be submitted on or before June 18, 1996.

ADDRESSES: Written comments, suggestions, or objections regarding this proposed amendment should be sent to the following addresses.

For comments sent via the U.S. Postal Service use: Minerals Management Service, Royalty Management Program, Rules and Procedures Staff, P.O. Box 25165 MS 3101, Denver, Colorado 80225-0165.

For comments via courier or overnight delivery service use: Minerals Management Service, Royalty Management Program, Rules and Procedures Staff, MS 3101, Building 85, Denver Federal Center, Room A-212, Denver, Colorado 80225-0165.

FOR FURTHER INFORMATION CONTACT: David S. Guzy, Chief, Rules and Procedures Staff, phone (303) 231-3432, FAX (303) 231-3194, e-Mail David___Guzy@smtp.mms.gov.

SUPPLEMENTARY INFORMATION: The principal authors of this rule are David J. Menard of the Royalty Accounting Division, General Ledger Branch, Jim McNamee of the Office of Policy and Management Improvement, and David

S. Guzy of the Rules and Procedures Staff, Lakewood, Colorado.

I. Background

Section 218.51 of Title 30 of the Code of Federal Regulations, "Method of payment," regulates the types of payments MMS accepts for royalty and other payments due on Federal and Indian mineral leases. The current regulation was published on September 21, 1984 (49 FR 37336). The regulation was amended on June 25, 1987 (52 FR 23812). The amendment lowered the payment threshold from \$50,000 to \$10,000 for royalty payments that must be made by Electronic Funds Transfer (EFT), extended the EFT requirements to include deferred bonus payments from successful bidders in competitive lease sales, and revised the references on payment method in Part 218 to be consistent with the amendment. An amendment published on October 26, 1988, changed the reference to the U.S. Treasury's electronic communications system used to process electronic funds transfers from "Treasury Financial Communication System" to "Financial Management Service Fedwire Deposit System" (53 FR 43200).

On January 31, 1994, the U.S. Treasury published a final rule amending 31 CFR Part 206, Management of Federal Agency Receipts, Disbursements, and Operation of the Cash Management Improvements Fund (59 FR 4536). The rule requires executive agencies to use effective, efficient disbursement mechanisms, principally EFT, in making their payments. The rule also requires executive agencies to use EFT for collecting funds.

The new U.S. Treasury requirement will have a minimal effect on MMS' Royalty Management Program collection and disbursement system because MMS has been using EFT since September 1984. Also, MMS has increased EFT usage throughout the past several years. Although the U.S. Treasury rule requires using EFT as the principal collection and disbursement system whenever it is cost effective, practicable, and consistent with current statutory authority, the U.S. Treasury will allow other methods to be used. MMS will work with and encourage all companies to use EFT to the extent it is cost effective and practicable. However, some of MMS' collections and disbursements may not lend themselves to using EFT.

II. Discussion of Proposed Rule

Because of the new U.S. Treasury requirement, MMS proposes to revise the entire section at § 218.51 to

incorporate the new requirement. To clarify the section, MMS proposes rewriting it in plain English as Executive Order No. 12866, Regulatory Planning and Review, requires. MMS intends for the rewritten rule to be easy to understand and specifically requests comments on its format and clarity. This rule affects only the Royalty Management Program.

The proposed regulation changes the title of § 218.51 from "Method of Payment" to "How To Make Payments." This change makes it easier to understand what information this section covers and assists the reader in locating payment instructions for Federal and Indian mineral lease royalties and other payments.

Section 218.51(a) of the proposed regulation defines relevant terms used in the succeeding paragraphs of payment instructions. We added definitions to avoid confusion about the meaning of significant terms used in the payment instructions. Unclear language can cause delays in receiving and depositing mineral lease payments sent to MMS.

Section 218.51(b) of the proposed regulation contains general instructions that apply to all persons who pay money to MMS or to an Indian Tribe or allottee. This revision presents the requirements for all payments in one place rather than in the many paragraphs under the existing regulation. This consolidation should assist persons in locating the general payment requirements. MMS urges everyone to use EFT for payments. When you want to begin using EFT and MMS has not contacted you, contact MMS and we will provide the appropriate instructions.

Section 218.51(c) contains specific instructions for persons making non-EFT payments for each different category of payment. This format will help people find the instructions that apply to the payment they are concerned about.

Proposed §§ 218.51(d) and 218.51(e) provide the addresses for sending payments to MMS using the U.S. Postal Service, courier, or overnight delivery service. This is a consolidation of information now dispersed throughout the existing regulation and will make it easier to find the correct address for sending payments to MMS.

Proposed § 218.51(f) specifies what a person making a payment must include on a payment. The information required varies by the reason for the payment. This revised format would make it easier to determine what is required for each category of payment.

Paragraph (g) of § 218.51 explains when a payment to MMS is due. It covers payments sent by EFT, the U.S. Postal Service, courier, and overnight mail. It states that all payments are due to MMS at the time required by law, regulation or lease terms, unless MMS approves a change. It also states that if the requirement to submit payment is suspended pending an appeal under 30 CFR 243.2, the original due date for that payment does not change for purposes such as calculating late payment interest. This rule would not effect any change in the existing rules governing suspension of MMS orders pending appeal.

Paragraph (h) of § 218.51 explains what happens if payments are received late. MMS will impose late-payment interest charges and may assess civil penalties.

Section 218.155(b) is proposed to be amended by changing the word "cannot" to "may" in the last sentence.

III. Procedural Matters

The Regulatory Flexibility Act

The Department certifies that this proposed rule will not have a significant economic effect on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*).

The proposed rule is needed to comply with U.S. Treasury requirements.

Executive Order 12630

The Department certifies that the proposed rule is not a governmental action capable of interference with constitutionally protected property rights. Thus, a Takings Implication Assessment need not be prepared under Executive Order 12630, "Governmental Action and Interference with Constitutionally Protected Property Rights."

Executive Order 12778

The Department has certified to the Office of Management and Budget that these proposed regulations meet the applicable standards provided in sections 2(a) and 2(b)(2) of Executive Order 12778.

Executive Order 12866

This document has been reviewed under Executive Order 12866 and is not a significant regulatory action.

Paperwork Reduction Act

This proposed rule does not contain information collection requirements that require approval by the Office of Management and Budget under 44 U.S.C. 3501 *et seq.*

National Environmental Policy Act of 1969

We have determined that this proposed rulemaking is not a major Federal action significantly affecting the quality of the human environment, and a detailed statement under section 102(2)(C) of the National Environmental Policy Act of 1969 [42 U.S.C. 4332 (2)(C)] is not required.

List of Subjects in 30 CFR Part 218

Coal, Continental shelf, Electronic funds transfers, Geothermal energy, Government contracts, Indian lands, Mineral royalties, Oil and gas exploration, Public lands-mineral resources.

Dated: March 13, 1996.

Bob Armstrong,

Assistant Secretary—Land and Minerals Management.

For the reasons set out in the preamble, 30 CFR Part 218 is proposed to be amended as follows:

PART 218—COLLECTION OF ROYALTIES, RENTALS, BONUSES AND OTHER MONIES DUE THE FEDERAL GOVERNMENT

1. The authority citation for part 218 is revised to read as follows:

Authority: 25 U.S.C. 396 *et seq.*, 396a *et seq.*, 2101 *et seq.*; 30 U.S.C. 181 *et seq.*, 351 *et seq.*, 1001 *et seq.*, 1701 *et seq.*; 31 U.S.C. 3335; 43 U.S.C. 1301 *et seq.*, 1331 *et seq.*, 1801 *et seq.*

2. Section 218.51 is revised to read as follows:

§ 218.51 How to make payments.

(a) *Definitions.*

ACH. Automated Clearing House. A type of EFT using the ACH network.

Courtesy notice. An MMS-issued notice of rental or bonus due.

Deferred bonus payment. Lease bonus paid in equal annual installments over a specified number of years.

EFT. Electronic Funds Transfer. Any paperless transfer of funds a bank initiates through an electronic terminal. For MMS purposes, EFT is limited to FEDWIRE and ACH transfers.

FEDWIRE. A type of EFT using the Federal Reserve Wire network.

Invoice document identification. The MMS-assigned invoice document identification (four alpha and eight numeric characters).

Payment. Any monies for royalty, bonus, rental, late payment charge, assessment, penalty, or other money sent to MMS.

Person. Any individual, firm, corporation, association, partnership, consortium, or joint venture (when

established as a separate entity). The term does not include Federal agencies.

Report. Form MMS-2014, *Report of Sales and Royalty Remittance.*

RIK. Royalty in kind.

(b) **General instructions.** You must make all payments to MMS electronically to the extent it is cost effective and practicable. If you pay money to MMS or to an Indian Tribe or allottee, you must follow these procedures:

(1) If MMS instructs you to use EFT, you must use EFT for all payments.

(2) Contact MMS before using EFT. MMS will provide you with EFT payment instructions.

(3) Separate any payments on a Federal lease from any payments on an Indian lease.

(4) If you are not required to use EFT, use one of the following types of payment documents. MMS prefers you to use these payment documents in the order presented:

(i) Commercial check drawn on a solvent bank;

(ii) Certified check;

(iii) Cashier's check;

(iv) Money order;

(v) Bank draft drawn on a solvent bank; or

(vi) Federal Reserve check.

(5) You must include your payor code on all payments.

(6) You must pay in U.S. dollars.

(c) **How to complete a non-EFT payment.** This paragraph explains to whom you must make your payment payable when you do not use EFT.

(1) Make any payment on a Federal lease payable to: "Department of the Interior-Minerals Management Service" or "DOI-MMS."

(2) For an Indian allottee payment, send a separate payment for each Bureau of Indian Affairs (BIA) agency or area office represented by the leases on your report or invoice document. You must include the name of the applicable Bureau of Indian Affairs agency or area office on your payment. Make it payable to: "Department of the Interior-Minerals Management Service for BIA [Name] Agency (allotted)" or "DOI-MMS for BIA [Name] Agency (allotted)."

(3) For an Indian tribal payment other than a lockbox payment, send a separate payment for each tribe represented by the leases on your report or invoice document. You must include the name of the Indian tribe on your payment. Make it payable to: "Department of the Interior-Minerals Management Service for BIA [Name of Tribe]" or "DOI-MMS for BIA [Name of Tribe]."

(4) For an Indian tribal lockbox payment, follow the instructions MMS provides you on how to report and make

the lockbox payment. These instructions are specific to each tribe's lockbox written agreement with the bank authorized to receive payments on the tribe's mineral leases. You will receive these instructions from MMS when you are required to use a tribal lockbox for reports and payments.

(d) **Where to send a non-EFT payment when you use the U.S. Postal Service.** This paragraph explains how to send a payment document using the U.S. Postal Service.

(1) for a payment to an Indian tribal lockbox, send it to the lockbox address the tribe provides.

(2) For a Federal non-producing lease rental or deferred bonus payment, send it to: Minerals Management Service, Royalty Management Program, PO Box 5640, Denver, CO 80217-5640.

(3) For all other Federal and Indian lease payments other than those going to an Indian tribal lockbox, send them to: Minerals Management Service, Royalty Management Program, PO Box 5810, Denver, CO 80217-5810.

(e) **Where to send a non-EFT payment when you use a courier or overnight delivery service.** This paragraph explains how to send a payment document using a courier or overnight delivery service for all Federal and Indian payments. You should send this type of payment to: Minerals Management Service, Royalty Management Program, Building 85, Denver Federal Center, Room A-212, Denver, CO 80225-0165.

(f) **What to include on your payment.**

(1) If you are making a payment for a Form MMS-2014, you must include both your payor code and your payor-assigned document (3a) number.

(2) If you are paying an invoice, including RIK invoices, you must include both your payor code and invoice document identification (four-letter prefix and eight-digit number).

(3) If you are paying a bonus you must:

(i) See the Notice of Lease Offering for instructions on how to pay the one-fifth bonus bid deposit for offshore oil, gas, and sulphur lease bids;

(ii) See § 218.155(c) for instructions on how to pay the four-fifths bonus for an offshore lease. Use EFT and follow MMS instructions;

(iii) See the sale terms of the Notice of Competitive Lease Sale for instructions on how to pay the successful bidder's bonus in the competitive sale of a coal, geothermal, or offshore mineral (other than oil, gas or sulfur) lease; and

(iv) Use EFT for installment payments of deferred bonuses.

(4) If you are paying a lease rental you must:

(i) See § 218.155(c) for instructions on how to pay first-year rentals of an offshore oil, gas, or sulfur lease;

(ii) See the Notice of Lease Offering for instructions on how to pay first-year rentals other than those covered in paragraph (f)(4)(i) of this section; and

(iii) Include the MMS Courtesy Notice, when provided, or write your payor code and government-assigned lease number on the payment document when paying a rental that is not reported on Form MMS-2014 and not paid by EFT.

(g) *When is a payment to MMS due?*

(1) All payments are due to MMS at the time law, regulation, or lease terms require unless MMS approves a change according to 30 CFR 243.2 "Suspensions of orders or decisions pending appeal." If you file an appeal, and the requirement to submit payment is suspended, the original payment due date for purposes such as calculating late payment interest is not changed.

(2) If you use the U.S. Postal Service, courier, or overnight mail to send your payment, it is due at the MMS addresses in paragraphs (d) and (e) of this section before 4 p.m. Mountain Time on the due date, regardless of when you sent it.

(3) If you use EFT to send your payment, it is due in the MMS account by the payment due date. You are responsible for your actions or your bank's actions that cause a late or incorrect payment. You will not be held responsible for mechanical or system failures of EFT payments.

(h) *What happens if payments are late or overdue?* (1) If MMS receives your payment late, MMS will impose a late-payment interest charge under § 218.54.

(2) If you do not pay an amount you owe, MMS may assess civil penalties under 30 CFR 241.20 and 241.51 or other applicable regulations.

3. Paragraph (b)(1) of § 218.155 is amended by revising the last sentence to read as follows:

§ 218.155 Method of payment.

* * * * *

(b) * * * (1) * * * EFT may be used as a method of payment for the one-fifth bonus bid amount.

* * * * *

[FR Doc. 96-9525 Filed 4-18-96; 8:45 am]

BILLING CODE 4310-MR-M

DEPARTMENT OF TRANSPORTATION

Coast Guard

33 CFR Part 100

[CGD07-96-020]

RIN 2115-AE46

Special Local Regulations; Beaufort Water Festival; Beaufort, SC

AGENCY: Coast Guard, DOT.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Coast Guard proposes to establish permanent special local regulations for the Beaufort Water Festival. This event will be held annually on the last two weekends of July, between 7:30 a.m. and 7 p.m. Eastern Daylight Time. Historically, the raft races, sailboat regattas, aerial demonstrations, power boat races, and a parade of ships have drawn approximately 600-1000 participants and 100-150 spectator craft to the Beaufort River each day of the event. The anticipated concentration of spectator and participant vessels associated with the Beaufort Water Festival poses a safety concern. Furthermore, the nature of the events and the closure of the Beaufort River between the Ladys Island swing bridge and Spanish Point creates an extra or unusual hazard in the navigable waters. These proposed regulations are necessary to provide for the safety of life on navigable waters during the event. By establishing these proposed permanent regulations, the Coast Guard expects to give better notice of requirements related to marine events, and also avoid the recurring costs of publication related with temporary regulations. However, the establishment of these proposed permanent regulations would not relieve the event organizers from applying for an annual marine event permit.

DATES: Comments must be received on or before May 20, 1996.

ADDRESSES: Comments may be mailed to Commander, U.S. Coast Guard Group Charleston, 196 Tradd Street, Charleston, SC 29401, or may be delivered to operations office at the same address between 7:30 a.m. and 3:30 p.m., Monday through Friday, except federal holidays. The telephone number is (803) 724-7621. Comments will become a part of the public docket and will be available for copying and inspection at the same address.

FOR FURTHER INFORMATION CONTACT:

ENS M. J. DaPonte, Coast Guard Group Charleston at (803) 724-7621.

SUPPLEMENTARY INFORMATION:

Request for Comments

The Coast Guard encourages interested persons to participate in this rulemaking by submitting written views, data, or arguments. Persons submitting comments should include their names, addresses, identify the notice (CGD07-96-020) and the specific section of this proposal to which their comments apply, and give reasons for each comment. The Coast Guard will consider all comments received during the comment period. The regulations may be changed in view of the comments received. All comments received before the expiration of the comment period will be considered before final action is taken on this proposal.

No public hearing is planned, but one may be held if the written requests for a hearing are received, and it is determined that the opportunity to make oral presentations will add to the rulemaking process.

Discussion of Proposed Regulations

The proposed regulations are needed to provide for the safety of life during the Beaufort Water Festival. These regulations are intended to promote safe navigation on the waters of the Beaufort River between the Ladys Island swing bridge and Spanish Point by controlling the traffic entering, exiting, and traveling within these waters. Historically, the raft races, sailboat regattas, aerial demonstrations, power boat races, and a parade of ships have drawn approximately 600-1000 participants and 100-150 spectator craft to the Beaufort River each day of the event. The anticipated concentration of spectator and participant vessels associated with the Beaufort Water Festival poses a safety concern, which is addressed in these proposed special local regulations. The proposed regulations would not permit movement of spectator vessels and other nonparticipating vessel traffic within the regulated area, between the Ladys Island swing bridge (032°25'40" N, 080°40'10" W) and a line drawn directly across the Beaufort River at Spanish Point, on the 032°24'00" N parallel from 7:30 a.m. to 7 p.m., annually on the last two weekends of July. All coordinates referenced use Datum: NAD 1983. However, the proposed regulations would permit the movement of spectator vessels and other non-participants between scheduled events and at the termination of the last scheduled event, at the discretion of the Coast Guard Patrol Commander.