

Social Security Administration, 100 Van Ness Avenue, San Francisco, Cal. 94102, ATTN: Bill Brees, Systems Branch, 415-556-4788 (not a toll-free call)—American Samoa, Arizona, California, Guam, Hawaii, Nevada.

Social Security Administration, 2901 Third Avenue, Seattle, Wash. 98121, ATTN: Jan Hotson, M/S 302, 206-442-0468 (not a toll-free call)—Alaska, Idaho, Oregon, Washington.

Background

On March 25, 1986, the **Federal Register** published final regulations relating to section 6011(e) of the Internal Revenue Code of 1954 (51 FR 10348). The regulations were adopted to reflect the addition to the Code of section 6011(e) by section 319 of the Tax Equity and Fiscal Responsibility Act of 1982 (Pub. L. 97-248, 96 Stat. 610) and its amendment by section 109 of the Interest and Dividend Tax Compliance Act of 1983 (Pub. L. 98-67, 97 Stat. 383).

Under those regulations, any person that is required to use certain forms, including Form W-2 (Wage and Tax Statement) or W-2P (Statement for Recipients of Annuities, Pensions, Retired Pay, or IRA Payments), for the purpose of making a return must provide the information required by such form on magnetic media, unless (a) the person is a low-volume filer with respect to the return or (b) the person is granted a waiver with respect to the return by the Internal Revenue Service. Failure to file a return on magnetic media when required to do so by the regulations is treated as a failure to file the return and may subject the person to the corresponding penalty.

Returns required on Form W-2 or W-2P for calendar year 1986 may generally be filed on the prescribed paper form if fewer than 500 returns were required to be filed on that form for the preceding calendar year. Returns required on such forms for calendar years after 1986 may generally be filed on the prescribed paper form if fewer than 250 returns were required to be filed on that form for the preceding calendar year. The regulations also provide that a person required to file a return on magnetic media may receive a waiver from such requirement in appropriate circumstances upon a showing of hardship.

In addition, under the regulations, persons subject to the magnetic media requirement are required to obtain prior consent to the use of the magnetic medium on which the information is to be submitted. The regulations provide that applications for consent to the use of a magnetic medium and requests for waiver generally must be filed at least 90 days before the filing of the first

return for which the consent or waiver is requested. In the case of returns of Forms W-2 and W-2P filed in 1987 and 1988, however, the application for consent or request for waiver is due no later than June 30 of the preceding year. The regulations contained in this document extend the due date for applications for consent and requests for waivers to July 31, 1986, for Forms W-2 and W-2P to be filed in 1987.

Executive Order 12291, Regulatory Flexibility Act and Paperwork Reduction Act

The Commissioner of Internal Revenue has determined that this rule is not a major rule as defined in Executive Order 12291 and that a Regulatory Impact Analysis therefore is not required. A general notice of proposed rulemaking is not required by 5 U.S.C. 553 for final regulations subject to 5 U.S.C. 553(b)(B). Accordingly, the final regulations do not constitute regulations subject to the Regulatory Flexibility Act (5 U.S.C. chapter 6).

Drafting Information

The principal author of these regulations is C. Scott McLeod of the Legislation and Regulations Division of the Office of Chief Counsel, Internal Revenue Service. However, personnel from other offices of the Internal Revenue Service and Treasury Department participated in developing the regulations on matters of both substance and style.

List of Subjects in 26 CFR Part 301

Administrative practice and procedure, Bankruptcy, Courts, Crime, Employment taxes, Estate taxes, Excise taxes, Gift taxes, Income taxes, Investigations, Law enforcement, Penalties, Pensions, Statistics, Taxes, Disclosure of information, Filing requirements.

Adoption of Amendments to the Regulations

Accordingly, 26 CFR Part 301 is amended as follows:

Procedure and Administration Regulations (26 CFR Part 301)

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

Authority: 26 U.S.C. 7805. * * * Section 301.6011-2 also issued under 26 U.S.C. 6011(e).

§ 301.6011-2 [Amended]

Par. 2. Section 301.6011-2 is amended as follows:

1. Paragraph (b)(2)(i) is amended by removing "June 30, 1986" and by adding in its place "July 31, 1986".

2. Paragraph (c)(4)(i)(A) is amended by removing "June 30, 1986" and by adding in its place "July 31, 1986".

This Treasury decision merely extends the due date for certain requests for waiver or approval of a magnetic medium. For this reason, it is found unnecessary to issue this Treasury decision with notice and public procedure under subsection (b) of section 553 of title 5 of the United States Code or subject to the effective date limitation of subsection (d) of that section.

James I. Owens,

Acting Commissioner of Internal Revenue.

Approved: August 11, 1986.

J. Roger Mentz,

Assistant Secretary of the Treasury.

[FR Doc. 86-19302 Filed 8-25-86; 8:45 am]

BILLING CODE 4830-01-M

Bureau of Alcohol, Tobacco and Firearms

27 CFR Part 9

[T.D. ATF-233; Re: Notice No. 591, T.D. ATF-187/204]

Revision and Realignment of the Boundaries of Alexander Valley and Northern Sonoma Viticultural Areas

AGENCY: Bureau of Alcohol, Tobacco and Firearms (ATF), Treasury.

ACTION: Treasury decision, final rule.

SUMMARY: ATF is revising the boundary of the Alexander Valley viticultural area in Sonoma County, California, to include vineyard land which ATF had inadvertently omitted from the northeastern corner of the viticultural area with the issuance of T.D. ATF-187 [49 FR 42719], to extend the boundary at the northeastern corner to include land on which new vineyards were planted in 1985; to realign the western portion of the boundary to conform with that of the Northern Sonoma viticultural area; and, to include the Digger Bend area north and east of Healdsburg.

ATF is revising the boundary of the Northern Sonoma viticultural area in Sonoma County, California, to include land on which the new vineyards were planted in 1985 and to realign the northeastern and northwestern portions of the boundary to conform to the descriptions of like portions of the boundary of the Alexander Valley viticultural area.

EFFECTIVE DATE: This final rule is effective September 25, 1986.

FOR FURTHER INFORMATION CONTACT: Michael J. Breen, Coordinator, FAA,

Wine and Beer Branch, Bureau of Alcohol, Tobacco and Firearms, Ariel Rios Federal Building, Room 6237, Washington, DC 20226, Telephone: (202) 566-7626.

SUPPLEMENTARY INFORMATION:

Background

With the issuance of T.D. ATF-187 on October 24, 1984, and T.D. ATF-204 on May 17, 1985, ATF established, respectively, the Alexander Valley and the Northern Sonoma viticultural areas on Sonoma County, California.

Petition No. 1

On January 25, 1985, ATF received a petition for revision of the northeastern corner of the Alexander Valley viticultural area to include sections 33 and 34, Township 12 N., Range 10 W. Both sections are in Sonoma County and adjoin the Sonoma County-Mendocino County line. The area within these sections, approximately 2.4 square miles or 1,536 acres, consists of uplands at elevations between 1,600 feet and 2,400 feet above sea level on Pine Mountain. Within the area there are 57.5 acres of vineyards consisting of one established vineyard (1974) of 13 acres and four newly planted vineyards (1985) of 3, 8, 11, and 22.5 acres, respectively.

Based on the evidence submitted with this petition, ATF finds that the land in the area shares similar geological history, topographical features, soils, and climatic conditions as adjoining land within the previously established boundary of the viticultural area.

Northern Sonoma

ATF's decisions to establish and now to revise the boundary of the Alexander Valley viticultural area affect the boundary of the Northern Sonoma viticultural area.

In the preamble to the notice proposing the Northern Sonoma viticultural area, ATF stated its intention to have the proposed boundary coincide generally with the "outer" portions of the boundaries of the Alexander Valley, Dry Creek Valley, Russian River Valley and Knights Valley viticultural areas. In the preamble to T.D. ATF-204, ATF repeated this statement.

In reviewing the petition to revise the Alexander Valley boundary, however, ATF discovered that the statement in the preceding paragraph, while conforming to ATF's expressed intentions, was not in agreement with the final rule in T.D. ATF-204. ATF attributes this discrepancy to the fact that in T.D. ATF-187 ATF compressed the eastern and western legs of the boundary of the Alexander Valley

viticultural area but failed to incorporate conforming changes in T.D. ATF-204.

The revised Northern Sonoma boundary includes the site of the vineyard established in 1974 in section 33, T. 12 N., R. 10 W., as well as the sites of the four vineyards planted in 1985 in section 34, T. 12 N., R. 10 W.

In addition, the revisions of the northeastern and northwestern portions of the boundary effectively exclude approximately 32.5 square miles of rugged mountainous terrain on which ATF had found no evidence of viticulture via the rulemaking process for establishment of the Alexander Valley viticultural area.

Petition No. 2

T.D. ATF-187 established the southern portion of the boundary of the Alexander Valley viticultural area along a ridge of low-lying hills to the north of the Digger Bend area which is north and east of Healdsburg. T.D. ATF-159 [48 FR 48813] issued October 21, 1983, established the northern portion of the boundary of the Russian River Valley viticultural area along this same ridge of hills.

Based on the evidence submitted in a petition filed on January 16, 1986, ATF finds that the Digger Bend area has climate, soil, and other features which are common to the Alexander Valley viticultural area. Accordingly, ATF is amending the southern portion of the boundary of the Alexander Valley viticultural area to include the land and vineyards in the Digger Bend area. The southern portion of the boundary of the Alexander Valley viticultural area is extended to encompass approximately 8 square miles or 5,120 acres of which 275 acres are devoted to vineyards.

Amended Boundaries

The description of the boundary of the established Alexander Valley viticultural area, as found in 27 CFR 9.53(c), is amended (1) to provide for inclusion of sections 33 and 34, Township 12 N., Range 10 W., and portions of sections 3 and 4, Township 11 N., Range 10 W., (U.S.G.S. "Asti" Quadrangle 7.5 minute series map), (2) to effect a minor conforming change in the western portion of the boundary at the southwest corner of section 1, T. 11 N., R. 11 W., and (3) to extend the boundary from the southwestern corner at State Highway 101 east and south to Fitch Mountain and Black Peak, effectively creating overlapping of the Alexander Valley and Russian River Valley viticultural areas at Digger Bend.

ATF is revising the boundary of the Northern Sonoma viticultural area, as

found in 27 CFR 9.70, (1) to include part of section 3, T. 11 N., R. 10 W., and the entirety of section 34, T. 12 N., R. 10 W., (U.S.G.S. "Sonoma County, CA" map dated 1970, scale 1:100,000) and (2) to align the northeastern and northwestern portions of the boundary with the eastern and western portions of the boundary for the Alexander Valley viticultural area.

Comments

ATF received two written comments addressing two different aspects of the proposal.

One commenter opposed any further dilution of the appellation "Alexander Valley" by amendments which would increase the land area within the viticultural area. However, this commenter did not dispute any of the data submitted by either petitioner.

The second commenter, the petitioner for the pending Coastal Sonoma viticultural area, opposed inclusion of the Digger Bend area within the Russian River Valley viticultural area. This commenter states that the Digger Bend area should be removed from the Russian River Valley viticultural area since "(F)rom a climatic point of view, the boundary of the Russian River Valley as it was first proposed was a good first approximation, but not entirely accurate."

The establishment and subsequent revision of a viticultural area is dependent upon the finding by ATF that the area is distinctive from surrounding areas pursuant to the criteria prescribed in 27 CFR 4.25(e)(2). It is the responsibility of the petitioner(s) to submit evidence distinguishing the land area within the boundary from that excluded by the boundary line.

ATF finds that the evidence submitted by the petitioner for the Digger Bend revision supports the proposal in Notice No. 591 to include the Digger Bend area within the Alexander Valley and Russian River Valley viticultural areas. ATF's review of the data submitted by the petitioner, the letter from the former agricultural advisor for Sonoma County, the topography of the Digger Bend area in relation to areas to its north and south, and the limited thermograph readings, supports consideration of the Digger Bend area as being transitional between the "Coastal Warm" Alexander Valley and the "Coastal Cool" Russian River Valley. At the time of publishing Notice No. 591, ATF found little data to support a revision of the boundary of the Russian River Valley viticultural area to exclude the Digger Bend area. Upon the receipt of a petition containing such evidence, however, ATF would consider

proposing a revision of the boundary of the Russian River Valley viticultural area at a later date.

Regulatory Flexibility Act

The provisions of the Regulatory Flexibility Act relating to a final regulatory flexibility analysis (5 U.S.C. 604) are not applicable to this final rule because it will not have a significant economic impact on a substantial number of small entities. The final rule will not impose, or otherwise cause, a significant increase in reporting, recordkeeping, or other compliance burdens on a substantial number of small entities. The final rule is not expected to have significant secondary or incidental effects on a substantial number of small entities.

Accordingly, it is hereby certified under the provisions of section 3 of the Regulatory Flexibility Act (5 U.S.C. 605(b)) that this final rule will not have a significant economic impact on a substantial number of small entities.

Compliance with Executive Order 12291

In compliance with Executive Order 12291 issued February 17, 1981, ATF has determined that this final rule is not a "major rule" since it will not result in:

- (a) An annual effect on the economy of \$100 million or more;
- (b) A major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; and,
- (c) Significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

Paperwork Reduction Act

The provisions of the Paperwork Reduction Act of 1980, Pub. L. 96-511, 44 U.S.C. Chapter 35, and its implementing regulations, 5 CFR Part 1320, do not apply to this final rule because no requirement to collect information is imposed.

List of Subjects in 27 CFR Part 9

Administrative practice and procedure, Consumer protection, Viticultural areas, and Wine.

Drafting Information

The author of this document is Michael J. Breen, FAA, Wine and Beer Branch, Bureau of Alcohol, Tobacco and Firearms.

Authority and Issuance

Title 27, Code of Federal Regulations, Part 9, American Viticultural Areas, is amended as follows:

PART 9—[AMENDED]

Par. 1. The authority citation for 27 CFR Part 9 continues to read as follows:

Authority: 27 U.S.C. 205.

Par. 2. ATF is amending § 9.53 of Subpart C of Title 27, Code of Federal Regulations, Part 9, by revising paragraphs (c)(3) through (c)(5) and (c)(21) through (c)(24), removing paragraphs (c)(25) and (c)(26), revising and redesignating paragraph (c)(27) as (c)(25), redesignating paragraphs (c)(28) through (c)(39) as paragraphs (c)(26) through (c)(37), removing paragraph (c)(40), and adding new paragraphs (c)(38) through (c)(40) to read as follows:

§ 9.53 Alexander Valley.

* * * * *

(c) *Boundary.* * * *

(3) Then east southeasterly in a straight line to the southeast corner of section 2, T. 11 N., R. 11 W.;

(4) Then south southeasterly in a straight line to the southeast corner of section 24, T. 11 N., R. 11 W.;

(5) Then southeasterly in a straight line across sections 30, 31 and 32, T. 11 N., R. 10 W., to the point at 38°45' N. latitude and 123°00' E. longitude in section 5, T. 10 N., R. 10 W.;

* * * * *

(21) Then southeasterly in a straight line approximately 11,000 feet to the 991-foot peak of Fitch Mountain;

(22) Then east southeasterly approximately 7,000 feet in a straight line to the peak identified as having an elevation of 857 feet;

(23) Then east southeasterly approximately 1,750 feet to the peak identified as Black Peak;

(24) Then southeasterly approximately 7,333 feet to the peak identified as having an elevation of 672 feet;

(25) Then northeasterly approximately 5,000 feet in a straight line to the point of confluence of Brooks Creek with the Russian River in T. 9 N., R. 8 W., on the Healdsburg Quadrangle map;

* * * * *

(38) Then east-northeasterly approximately 10,000 feet in a straight line to the southeast corner of section 34, T. 12 N., R. 10 W.;

(39) Then north along the east boundary of section 34, T. 12 N., R. 10 W., to the northeast corner of section 34, T. 12 N., R. 10 W.;

(40) Then west along the north boundaries of sections 34 and 33, T. 12 N., R. 10 W., to the point of beginning.

* * * * *

Par. 3. ATF is amending § 9.70 of Subpart C of Title 27, Code of Federal Regulations, Part 9, by revising paragraphs (b), (c) introductory text, (c)(1), and (c)(11) through (c)(14), redesignating paragraph (c)(15) as (c)(19), adding new paragraphs (c)(15) through (c)(18), redesignating paragraphs (c)(18) through (c)(23) as paragraphs (c)(23) through (c)(28) adding new paragraphs (c)(20) through (C)(22) to read as follows:

§ 9.70 Northern Sonoma.

* * * * *

(b) *Approved maps.* The approved maps for determining the boundary of the Northern Sonoma viticultural area are the U.S.G.S. Topographical Map of Sonoma County, California, scale 1:100,000, dated 1970, and the Asti Quadrangle, California, 7.5 minute series (Topographic) Map, dated 1959, photorevised 1978.

(c) *Boundary.* The Northern Sonoma Viticultural area is located in Sonoma County, California. The boundary description in paragraphs (c)(1) through (c)(28) of this section includes (in parentheses) the local names of roads which are not identified by name on the map.

(1) On the U.S.G.S. Topographical Map of Sonoma County, California, the beginning point is the point, in the town of Monte Rio, at which a secondary highway (Bohemian Highway) crosses the Russian River.

* * * * *

(11) The boundary proceeds north northwesterly in a straight line to the southeast corner of Section 14, Township 10 North, Range 9 West.

(12) The boundary proceeds north northwesterly in a straight line to the most eastern point of the northeastern line of Tzabaco land grant.

(13) The boundary proceeds west-northwesterly along the northeastern line of the Tzabaco land grant.

(14) On the Asti Quadrangle 7.5 minute series map, the boundary proceeds west-northwesterly in a straight line to the point on a peak identified as having an elevation of 830 feet.

(15) The boundary proceeds northwesterly 13,350 feet in a straight line to the point on a peak identified as having an elevation of 1,070 feet.

(16) The boundary proceeds northwesterly in a straight line to the point on a peak identified as having an elevation of 1,301 feet.

(17) The boundary proceeds east-northeasterly approximately 10,000 feet in a straight line to the southeast corner of section 34, Township 12 North, Range 10 West.

(18) On the U.S.G.S. Topographical Map of Sonoma County, California, the boundary proceeds north along the east boundary of section 34, Township 12 North, Range 10 West, to the Sonoma County-Mendocino County line.

(19) The boundary follows the Sonoma County-Mendocino County line west then south to the southwest corner of Section 34, Township 12 North, Range 11 West.

(20) The boundary proceeds in a straight line east southeasterly to the southeast corner of section 2, Township 11 North, Range 11 West.

(21) The boundary proceeds in a straight line south southeasterly to the southeast corner of section 24, Township 11 North, Range 11 West.

(22) The boundary proceeds in a straight line southeasterly across sections 30, 31 and 32 in Township 11 North, Range 10 West, to the point at 38°45' North latitude parallel and 123°00' East longitude in section 5, T. 10 N., R. 10 W.

* * * * *
Signed: July 14, 1986.

W.T. Drake,
Acting Director.

Approved August 5, 1986.

Francis A. Keating, II,
Assistant Secretary (Enforcement).

[FR Doc. 86-19139 Filed 8-25-86; 8:45 am]

BILLING CODE 4810-31-M

DEPARTMENT OF EDUCATION

34 CFR Part 674

Postsecondary Education; National Direct Student Loan Program

Correction

In FR Doc. 86-17690, beginning on page 28312, in the issue of Wednesday, August 6, 1986, make the following corrections:

§ 674.6a [Corrected]

1. On page 28314, first column, in amendatory instruction 3, "674.6" should read "674.6a".

2. On the same page, first column, in the section heading, "§ 673.6a" should read "§ 674.6a".

3. On the same page, first column, § 674.6a(a) third line, after "subsequent" insert "award years".

4. On the same page, first column, § 674.6a(c)(1), third line, "in" should read "to".

5. On the same page, first column, § 674.6a(c)(2), fourth line, "repayments" was misspelled.

6. On the same page, second column, § 674.6a(c)(3)(ii), first line, "Subtracting" was misspelled.

BILLING CODE 1505-01-M

DEPARTMENT OF AGRICULTURE

Forest Service

36 CFR Part 261

Prohibitions; Fossil Collecting

AGENCY: Forest Service, USDA.

ACTION: Interim rule with request for comments.

SUMMARY: In keeping with the language of the Archaeological Resources Protection Act of 1979 and in response to informal comments from the scientific and academic communities, the Forest Service is clarifying its regulations concerning fossil collecting on National Forest System lands. The language on "paleontological resources" is being moved to a separate paragraph and the requirement for permits is being limited specifically to vertebrate fossils and commercial activities.

DATES: Effective date: August 26, 1986. Comments due on or before October 27, 1986.

ADDRESSES: Send written comments to R. Max Peterson, Chief (2800), Forest Service, USDA, P.O. Box 2417, Washington, DC 20013.

The public may inspect comments received on this interim rule in the office of the Director, Minerals and Geology Management Staff, Room 606, 1621 North Kent Street, Rosslyn, Virginia 22209, from the hours of 8:30 a.m. and 4:30 p.m.

FOR FURTHER INFORMATION CONTACT: Tom King, Minerals and Geology Management Staff, USDA, P.O. Box 2417, Washington, DC 20013. (703-235-9745).

SUPPLEMENTARY INFORMATION: Current regulations prohibit the excavation and removal of any paleontological object from National Forest System lands without first obtaining a special use authorization in accordance with 36 CFR 261.1a. The regulations define a paleontological resource as ". . . evidence of fossilized remains of multicellular invertebrate and vertebrate animals and multicellular plants, including imprints thereof . . ." Moreover, the language of The Archaeological Resources Protection Act of 1979 (16 U.S.C. 470bb)

distinguishes between "archaeological" and "paleontological" resources, which we interpret to mean that Federal land management agencies are not mandated to exercise the same degree of protection for the two resources.

The collection of paleontological objects on National Forest System lands is a legitimate scientific and educational pursuit and there is no evidence of widespread conflicts or problems that would require a blanket prohibition on all activities as currently provided in 36 CFR 261.9. Vertebrate fossils have traditionally been accorded special significance and will remain subject to regulation. Where there is a need to protect other paleontological resources at a unique site, land managers may issue special closure orders pursuant to 36 CFR 261.53(c).

Paleontological objects found in an archaeological context are considered part of the archaeological resource and would remain subject to the prohibitions at 36 CFR 261.9 and 36 CFR 296.4.

Since the field season for scientific and academic research is already underway, there is a need to make this interim rule effective immediately. However, public comments are invited and will be fully considered in developing a final rule.

Regulatory Impacts and Review

This interim rule has been reviewed under Executive Order 12291, The Regulatory Flexibility Act (5 U.S.C. 601, et seq.), and implementing Departmental procedures. The Assistant Secretary of Agriculture for Natural Resources and Environment has determined that the regulation is not a major rule and will not have a significant economic impact on a number of small entities. It will have little or no effect on the economy because it affects only Forest Service land managers. The regulation may reduce administrative costs for analysis of permit conditions, permit issuance and administration, law enforcement, and other legal actions previously required to control fossil collecting.

Based on both past experience and environmental analysis, this interim rule will have no significant effect on the human environment, individually or cumulatively. Therefore, it is categorically excluded from documentation in an environmental assessment or an environmental impact statement (40 CFR 1508.4).

This interim rule contains no information collection requirements as defined in 5 CFR Part 1320.

List of Subjects in 36 CFR Part 261

Law enforcement, National Forests.