

to solicit comment on whether the Commission should initiate a rulemaking proceeding to repeal the Dry Cell Battery Rule.

### Part C—Alternative Actions

The Commission is not considering any alternative other than the possibility of repealing the Dry Cell Battery Rule.

### Part D—Request for Comments

Members of the public are invited to comment on any issues or concerns they believe are relevant or appropriate to the Commission's review of the Dry Cell Battery Rule. The Commission requests that factual data upon which the comments are based be submitted with the comments. In this section, the Commission identifies the issues on which it solicits public comments. The identification of issues is designed to assist the public and should not be construed as a limitation on the issues on which public comment may be submitted.

### Questions

(1) Is there a continuing need for the Rule?

(a) What benefits has the Rule provided to purchasers of the products affected by the Rule?

(b) Has the Rule imposed costs on purchasers?

(2) What changes, if any, should be made to the Rule to increase the benefits of the Rule to purchasers?

(a) How would these changes affect the costs the Rule imposes on firms subject to its requirements?

(3) What significant burdens or costs, including costs of compliance, has the Rule imposed on firms subject to its requirements?

(a) Has the Rule provided benefits to such firms?

(4) What changes, if any, should be made to the Rule to reduce the burdens or costs imposed on firms subject to its requirements?

(a) How would these changes affect the benefits provided by the Rule?

(5) Does the Rule overlap or conflict with other federal, state, or local laws or regulations?

(6) Since the Rule was issued, what effects, if any, have changes in relevant technology or economic conditions had on the rule?

(7) Are "leakproof" or "guaranteed leakproof" representations by manufacturers and marketers of dry cell batteries a significant problem in the marketplace?

(8) Should the Rule, or any portion of it, be kept in effect, or should it be repealed?

(9) How would repealing the Rule affect the benefits experienced by consumers?

(10) How would repealing the Rule affect the benefits and burdens experienced by firms subject to Rule's requirements?

(11) Does the existence of ANSI Standard C18.1M-1992 for Dry Cell Batteries eliminate or greatly lessen the need for the Rule?

**Authority:** Section 18(d)(2)(B) of the Federal Trade Commission Act, 15 U.S.C. 57a(d)(2)(B).

### List of Subjects in 16 CFR Part 403

Advertising, Dry cell batteries, Labeling, Trade practices.

By direction of the Commission.

**Donald S. Clark,**  
*Secretary.*

[FR Doc. 97-7433 Filed 3-24-97; 8:45 am]

BILLING CODE 6750-01-M

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### 26 CFR Part 1

[REG-209785-95]

RIN 1545-AT97

#### Substantiation of Business Expenses for Travel, Entertainment, Gifts and Listed Property

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Notice of proposed rulemaking by cross-reference to temporary regulations.

**SUMMARY:** In the Rules and Regulations section of this issue of the **Federal Register**, the IRS is issuing temporary regulations relating to the substantiation requirements for business expenses for travel, entertainment, gifts, or listed property. The text of those temporary regulations also serves as the text of these proposed regulations.

**DATES:** Written or electronically generated comments and requests for a public hearing must be received by June 23, 1997.

**ADDRESSES:** Send submissions to CC:DOM:CORP:R (REG-209785-95), room 5228, Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044. In the alternative, submissions may be hand delivered between the hours of 8 a.m. and 5 p.m. to CC:DOM:CORP:R (REG-209785-95), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC, or

electronically, via the IRS Internet site at: <http://www.irs.ustreas.gov/prod/taxregs/comments.html>.

**FOR FURTHER INFORMATION CONTACT:** Concerning the regulations, contact Donna M. Crisalli, (202) 622-4920; concerning submissions, contact Christina Vasquez, (202) 622-7190 (not toll-free numbers).

### SUPPLEMENTARY INFORMATION

#### Paperwork Reduction Act

The collection of information contained in this notice of proposed rulemaking has been submitted to the Office of Management and Budget for review in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507). Comments on the collection of information should be sent to the Office of Management and Budget, Attn: Desk Officer for the Department of the Treasury, Office of Information and Regulatory Affairs, Washington, DC 20503, with copies to the Internal Revenue Service, Attn: IRS Reports Clearance Officer, T:FP, Washington, DC 20224. Comments on the collection of information should be received by May 27, 1997.

Comments are specifically requested concerning: Whether the proposed collection of information is necessary for the proper performance of the functions of the Internal Revenue Service, including whether the information will have practical utility;

The accuracy of the estimated burden associated with the proposed collection of information (see below);

How the quality, utility, and clarity of the information to be collected may be enhanced;

How the burden of complying with the proposed collection of information may be minimized, including through the application of automated collection techniques or other forms of information technology; and

Estimates of capital or start-up costs and costs of operation, maintenance, and purchase of service to provide information.

The collection of information in this notice of proposed rulemaking is in § 1.274-5T(c)(2) and (f)(4). This information is required by the IRS as a condition for a taxpayer to deduct certain business expenses or exclude from income certain reimbursed business expenses of employees. This information will be used to determine whether a taxpayer properly qualifies for a deduction or exclusion. The collection of information is required in order to deduct certain business expenses or exclude from income certain reimbursed business expenses of

employees. The likely respondents and recordkeepers are individuals, business or other for-profit institutions, state or local governments, federal agencies, and nonprofit institutions.

*Estimated total annual reporting and recordkeeping burden:* 36,920,000 hours.

The estimated annual burden per respondent or recordkeeper varies from 10 minutes to 20 hours, depending on individual circumstances, with an estimated average of 1.3 hours.

*Estimated number of respondents and recordkeepers:* 28,400,000.

*Estimated annual frequency of responses:* On occasion.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number.

Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

### Special Analyses

It has been determined that this notice of proposed rulemaking is not a significant regulatory action as defined in EO 12866. Therefore, a regulatory assessment is not required. It is hereby certified that these regulations do not have a significant economic impact on a substantial number of small entities. This certification is based on the fact that, by increasing the receipt threshold from \$25 to \$75, these regulations are expected to reduce the existing recordkeeping requirements of taxpayers, including small entities, from 49,375,000 hours to 36,920,000 hours. The regulations do not otherwise significantly alter the reporting or recordkeeping duties of small entities. Therefore, a Regulatory Flexibility Analysis under the Regulatory Flexibility Act (5 U.S.C. chapter 6) is not required. Pursuant to section 7805(f) of the Internal Revenue Code, this notice of proposed rulemaking will be submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business.

### Comments and Requests for a Public Hearing

Before adopting these proposed regulations as final regulations, consideration will be given to any comments that are submitted timely (and in the manner described in ADDRESSES portion of this preamble)

to the IRS. The IRS is considering publishing a revenue procedure implementing § 1.274-5T(f)(4)(ii) of the temporary regulations (that is, prescribing rules under which an employee may make an adequate accounting to his employer by submitting an expense voucher or equivalent without submitting documentary evidence such as receipts) for federal government agencies that use the published procedures. In addition, the IRS is considering whether there are circumstances or conditions under which the IRS could extend these procedures beyond federal government agencies, and requests comments in this regard. The IRS also requests comments on what procedures (such as internal controls) should be required in any rules that permit a taxpayer to satisfy the substantiation requirements of section 274(d) for purposes of deducting business expenses reimbursed to employees who have accounted for their expenses only by means of an expense voucher or equivalent without documentary evidence such as receipts. All comments will be available for public inspection and copying. A public hearing will be scheduled and held upon written request by any person who submits written comments on the proposed rules. Notice of the time and place for the hearing will be published in the **Federal Register**.

### Drafting Information

The principal author of these proposed regulations is Donna M. Crisalli, Office of the Assistant Chief Counsel (Income Tax and Accounting). However, personnel from other offices of the IRS and Treasury Department participated in their development.

### List of Subjects in 26 CFR Part 1

Income taxes, Reporting and recordkeeping requirements.

### Proposed Amendments to the Regulations

Accordingly, 26 CFR part 1 is proposed to be amended as follows:

### PART 1—INCOME TAXES

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

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

Section 1.274-5 also issued under 26 U.S.C. 274(d). \* \* \*

**Par. 2.** Section 1.274-5 is added to read as follows:

#### § 1.274-5 Substantiation requirements.

(a) through (c)(2)(iii)(A) [Reserved]. For further guidance, see § 1.274-5T.

(c)(2)(iii)(B) [The text of paragraph (c)(2)(iii)(B) is the same as the text in § 1.274-5T published elsewhere in this issue of the **Federal Register**].

(c)(2)(iv) through (f)(3) [Reserved]. For further guidance, see § 1.274-5T.

(f)(4) through (f)(4)(iii) [The text of paragraphs (f)(4) through (f)(4)(iii) is the same as the text in § 1.274-5T published elsewhere in this issue of the **Federal Register**].

(f)(5) through (1) [Reserved]. For further guidance, see § 1.274-5T.

**Margaret Milner Richardson,**

*Commissioner of Internal Revenue.*

[FR Doc. 97-7094 Filed 3-24-97; 8:45 am]

BILLING CODE 4830-01-U

## FEDERAL MEDIATION AND CONCILIATION SERVICE

### 29 CFR Part 1404

#### Arbitration Policy; Roster of Arbitrators, and Procedures for Arbitration Services

**AGENCY:** Federal Mediation and Conciliation Service.

**ACTION:** Correction to proposed rule.

**SUMMARY:** A proposed rule on arbitration policy contained an error in page costs. This document is intended to correct that error.

**FOR FURTHER INFORMATION CONTACT:** Peter L. Regner, (202) 606-8181.

**SUPPLEMENTARY INFORMATION:** In proposed rule document 97-6305 beginning on page 11797, in the **Federal Register** issue of Thursday, March 13, 1997, make the following correction:

In the appendix to 29 CFR Part 1404 on page 11805, under "List and biographical sketches of arbitrators in specific areas", the term "\$10 per page" should read "\$.10 per page".

**John Calhoun Wells,**

*Director.*

[FR Doc. 97-7463 Filed 3-24-97; 8:45 am]

BILLING CODE 6732-01-M

## DEPARTMENT OF THE INTERIOR

### Minerals Management Service

#### 30 CFR Part 253

RIN 1010-AC33

#### Oil Spill Financial Responsibility for Offshore Facilities

**AGENCY:** Minerals Management Service (MMS), Interior.

**ACTION:** Notice of proposed rulemaking.