

| Test 6/30 | Year End | Interest in Partnership Profits | Months of Deferral for 6/30 Year End | Interest x Deferral |
|-------------------------|----------|---------------------------------|--------------------------------------|---------------------|
| Partner A..... | 12/31 | .5 | 6 | 3.0 |
| Partner B..... | 6/30 | .5 | 0 | 0 |
| Aggregate deferral..... | | | | 3.0 |

Example (4). The facts are the same as in Example (1) except that on December 31, 1987, partner A sells a 4 percent interest in the partnership to Partner C, who reports income on the fiscal year ending June 30, and a 40 percent interest in the partnership to Partner D, who also reports income on the fiscal year ending June 30. The taxable year beginning July 1, 1987, is unaffected by the sale. However, for the taxable year beginning July 1, 1988, the partnership must determine the taxable year resulting in the least aggregate deferral as of July 1, 1988. In this case, the partnership will be required to retain its taxable year since the fiscal year ending June 30 continues to be the taxable year that results in the least aggregate deferral of income to the partners.

Example (5). The facts are the same as in Example (4) except that Partner D reports income on the fiscal year ending April 30. As in Example (4), the taxable year during which the sale took place is unaffected by the shifts in interests. However, for its taxable year beginning July 1, 1988, the partnership will be required to change its taxable year to the fiscal year ending April 30. This determination is made as follows:

| Test 7/31 | Year End | Interest in Partnership Profits | Months of Deferral for 7/31 Year End | Interest x Deferral |
|-------------------------|----------|---------------------------------|--------------------------------------|---------------------|
| Partner A..... | 6/30 | .06 | 11 | .66 |
| Partner B..... | 7/31 | .5 | 0 | 0 |
| Partner C..... | 6/30 | .04 | 11 | .44 |
| Partner D..... | 4/30 | .4 | 9 | 3.60 |
| Aggregate deferral..... | | | | 4.70 |

| Test 6/30 | Year End | Interest in Partnership Profits | Months of Deferral for 6/30 Year End | Interest x Deferral |
|-------------------------|----------|---------------------------------|--------------------------------------|---------------------|
| Partner A..... | 6/30 | .06 | 0 | 0 |
| Partner B..... | 7/31 | .5 | 1 | .5 |
| Partner C..... | 6/30 | .04 | 0 | 0 |
| Partner D..... | 4/30 | .4 | 10 | 4.0 |
| Aggregate deferral..... | | | | 4.5 |

| Test 4/30 | Year End | Interest in Partnership Profits | Months of Deferral for 4/30 Year End | Interest x Deferral |
|----------------|----------|---------------------------------|--------------------------------------|---------------------|
| Partner A..... | 6/30 | .06 | 2 | .12 |
| Partner B..... | 7/31 | .5 | 3 | 1.50 |

| Test 4/30 | Year End | Interest in Partnership Profits | Months of Deferral for 4/30 Year End | Interest x Deferral |
|---|----------|---------------------------------|--------------------------------------|---------------------|
| Partner C..... | 6/30 | .04 | 2 | .08 |
| Partner D..... | 4/30 | .4 | 0 | 0 |
| Aggregate deferral..... | | | | 1.70 |
| § 1.706-17(a)(4) Test: | | | | |
| Current taxable year (June 30)..... | | | | 4.5 |
| Less: Taxable year producing the least aggregate deferral (April 30)..... | | | | 1.7 |
| Additional aggregate deferral (greater than .5)..... | | | | 2.8 |

Example (6). Partnership P has two partners, A who reports income on the fiscal year ending March 31, and B who reports income on the fiscal year ending July 31. A and B share profits equally. P has determined its taxable year under § 1.706-1T(a)(2) to be the fiscal year ending March 31 as follows:

| Test 3/31 | Year End | Interest in Partnership Profits | Deferral for 3/31 Year End | Interest x Deferral |
|-------------------------|----------|---------------------------------|----------------------------|---------------------|
| Partner A..... | 3/31 | .5 | 0 | 0 |
| Partner B..... | 7/31 | .5 | 4 | 2 |
| Aggregate deferral..... | | | | 2 |

| Test 7/31 | Year End | Interest in Partnership Profits | Deferral for 7/31 Year End | Interest x Deferral |
|-------------------------|----------|---------------------------------|----------------------------|---------------------|
| Partner A..... | 3/31 | .5 | 6 | 4 |
| Partner B..... | 7/31 | .5 | 0 | 0 |
| Aggregate deferral..... | | | | 4 |

In May 1988, Partner A sells a 45 percent interest in the partnership to C, who reports income on the fiscal year ending April 30. For the taxable period beginning April 1, 1989, the fiscal year ending April 30 is the taxable year that produces the least aggregate deferral of income to the partners. However, under paragraph (a)(4) of this section the partnership is required to retain its fiscal year ending March 31. This determination is made as follows:

| Test 3/31 | Year End | Interest in Partnership Profits | Deferral for 3/31 Year End | Interest x Deferral |
|-------------------------|----------|---------------------------------|----------------------------|---------------------|
| Partner A..... | 3/31 | .06 | 0 | 0 |
| Partner B..... | 7/31 | .5 | 4 | 2.0 |
| Partner C..... | 4/30 | .45 | 1 | .45 |
| Aggregate deferral..... | | | | 2.45 |

| Test 7/31 | Year End | Interest in Partnership Profits | Deferral for 7/31 year end | Interest Deferral |
|-------------------------|----------|---------------------------------|----------------------------|-------------------|
| Partner A..... | 3/31 | .06 | 8 | .48 |
| Partner B..... | 7/31 | .5 | 0 | 0 |
| Partner C..... | 4/30 | .45 | 9 | 4.05 |
| Aggregate deferral..... | | | | 4.45 |

| Test 4/30 | Year End | Interest in Partnership Profits | Deferral for 4/30 year end | Interest Deferral |
|---|----------|---------------------------------|----------------------------|-------------------|
| Partner A..... | 3/31 | .05 | 11 | .55 |
| Partner B..... | 7/31 | .5 | 3 | 1.50 |
| Partner C..... | 4/30 | .45 | 0 | 0 |
| Aggregate deferral..... | | | | 2.05 |
| § 1.706-17(a)(4) Test: | | | | |
| Current taxable year (3/31)..... | | | | 2.45 |
| Less: Taxable year producing the least aggregate deferral (4/30)..... | | | | 2.05 |
| Additional aggregate deferral (less than .5)..... | | | | .40 |

PART 602—[AMENDED]

OMB Control Numbers Under the Paperwork Reduction Act

Par. 3. The authority for Part 602 continues to read as follows:

Authority: 26 U.S.C. 7805.

Par. 4. Section 602.101(c) is amended by inserting in the appropriate place in the table: "§ 1.706-1T * * * 1545-0099."

There is need for immediate guidance with respect to the provisions contained in this Treasury decision. For this reason, it is found impracticable to issue it 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.

Lawrence B. Gibbs,

Commissioner of Internal Revenue.

Approved: December 16, 1987.

O. Donaldson Chapoton,

Assistant Secretary of the Treasury.

[FR Doc. 87-29773 Filed 12-24-87; 9:09 am]

BILLING CODE 4830-01-M

DEPARTMENT OF JUSTICE

28 CFR Parts 0 and 68

[A.G. Order 1245-87]

Organization of the Department of Justice Executive Office for Immigration Review

AGENCY: Executive Office for Immigration Review, Department of Justice.

ACTION: Final rule.

SUMMARY: This is to correct the final rule which was published on November 24, 1987, at 52 FR 44971. That rule, among other things, erroneously stated that the Executive Office for

Immigration Review had had its name changed to the Executive Office for Immigration Matters. This rule is published to correct that erroneous statement. The correct name of the organization remains the Executive Office for Immigration Review. The rule also corrects similar erroneous name references in 28 CFR Part 68.

EFFECTIVE DATE: December 29, 1987.

FOR FURTHER INFORMATION CONTACT: Gerald S. Hurwitz, Counsel to the Director, Executive Office for Immigration Review, Suite 1609, 5203 Leesburg Pike, Falls Church, Virginia 22041, telephone (703) 756-6470.

SUPPLEMENTARY INFORMATION: The final rule published on November 24, 1987, at 52 FR 44971, erroneously stated that the name of the Executive Office for Immigration Review had been changed to the Executive Office for Immigration Matters. This was published in error. This final rule corrects the error and clearly indicates that the correct name of the organization is the Executive Office for Immigration Review. The rule also corrects similar erroneous name references in 28 CFR Part 68.

This is not a major rule within the meaning of section 1(b) of Executive Order 12291. In accordance with 5 U.S.C. 605(b), the Attorney General certifies that this rule will not have a significant impact on a substantial number of small entities.

List of Subjects

28 CFR Part 0

Government employees, Organizations and functions (Government agencies), Authority delegations (Government agencies).

28 CFR Part 68

Administrative practice and procedures, Aliens, Citizenship and naturalization, Civil rights, Discrimination in employment, Employment, Equal employment opportunity, Immigration, Nationality, Non-Discrimination.

Accordingly, by the authority vested in me, including 28 U.S.C. 509, 510, Title 28 of the Code of Federal Regulations is revised as follows:

PART 0—(AMENDED)

1. The authority citation for Part 0 continues to read as follows:

Authority: 5 U.S.C. 301, 2303; 8 U.S.C. 1103, 1324A, 1427(g); 15 U.S.C. 644(k); 18 U.S.C. 2254, 4001, 4041, 4042, 4044, 4082, 4201 *et seq.*, 6003(b); 21 U.S.C. 871, 881(d), 904; 22 U.S.C. 263a, 1621-1645o, 1622 note; 28 U.S.C. 509, 510, 515, 524, 542, 543, 552, 552a, 569; 31 U.S.C. 1108, 3801 *et seq.*; 50 U.S.C. App. 2001-2017p;

Pub. L. No. 91-513, sec. 501; EO 11919; EO 11287; EO 11300.

2. All references to the "Executive Office for Immigration Matters" within Part 0, specifically §§ 0.105, 0.115, 0.116, and 0.117 are hereby revised to read "Executive Office for Immigration Review."

PART 68—(AMENDED)

3. The authority citation for Part 68 continues to read as follows:

Authority: 5 U.S.C. 301, 5 U.S.C. 554; 8 U.S.C. 1103, 8 U.S.C. 1324 a and b.

4. All references to the "Executive Office for Immigration Matters" within Part 68, specifically §§ 68.1, 68.2(d), and 68.34(a), are hereby revised to read "Executive Office for Immigration Review."

Date: December 17, 1987.

Edwin Meese III,

Attorney General.

[FR Doc. 87-29719 Filed 12-28-87; 8:45 am]

BILLING CODE 6131-26-M

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

29 CFR Part 1601

Employment Discrimination; 706 Agencies

AGENCY: Equal Employment Opportunity Commission.

ACTION: Final rule; amendment.

SUMMARY: The Equal Employment Opportunity Commission amends its regulations on certified designated 706 agencies. Publication of this amendment effectuates the designation of the Louisville and Jefferson County Human Relations Commission as a certified 706 agency.

EFFECTIVE DATE: December 29, 1987.

FOR FURTHER INFORMATION CONTACT: Valentina Jackson, Equal Employment Opportunity Commission, Office of Program Operations, Systemic Investigations and Individual Compliance Programs, 2401 E Street, NW., Washington, DC 20507, telephone number (202) 634-6806.

SUPPLEMENTARY INFORMATION: The Commission has determined that the Louisville and Jefferson County Human Relations Commission meets the eligibility criteria for certification of designated 706 Agencies as established in 29 CFR 1601.75(b). In accordance with 29 CFR 1601.75(c) the Commission hereby amends the list of certified designated 706 agencies to include:

Louisville and Jefferson County Human Relations Commission.

Publication of this amendment to § 1601.80 effectuates the designation of the following agency as a certified 706 agency: Louisville and Jefferson County Human Relations Commission.

List of Subjects in 29 CFR Part 1601

Administrative practice and procedure, Equal Employment Opportunity, Intergovernmental relations.

1. The authority citation for Part 1601 continues to read as follows:

Authority: 42 U.S.C. 2000e to 2000e-17.

PART 1601—(AMENDED)

§ 1601.80 (Amended)

Accordingly, 29 CFR Part 1601 is amended in § 1601.80 by adding the Louisville and Jefferson County Human Relations Commission in alphabetical order.

Signed at Washington, DC this 23rd day of December, 1987.

James H. Troy,

Director, Office of Program Operations.

[FR Doc. 87-29768 Filed 12-28-87; 8:45 am]

BILLING CODE 6570-06-M

DEPARTMENT OF DEFENSE

Office of the Secretary

32 CFR Part 102

[DoD Directive 1215.6]

Uniform Reserve, Training and Retirement Categories

AGENCY: Office of the Secretary, DoD.

ACTION: Final rule.

SUMMARY: This Part revises 32 CFR Part 102 and establishes new policies and procedures consistent with recent changes in law and development of revised Defense Department policy. There have been significant changes in the roles and missions of the Reserve Components since this was last published. The National Guard and Reserve Forces have expanded and taken on increased responsibilities for National Security as a part of the Total Force. This part outlines new policies and categories for reporting and managing the Reserve Components.

EFFECTIVE DATE: September 22, 1987.

FOR FURTHER INFORMATION CONTACT: Colonel D. Smith, Director Guard/Reserve Manpower Programs, Office of the Secretary of Defense (Reserve