

mark-to-market on the day before the onset of the prohibition) does not apply.

(ii) Section 1.475(b)–1(b)(2) (concerning relevant relationships for purposes of determining whether equity interests in related persons are prohibited from being marked to market) applies beginning June 19, 1996.

(iii) Section 1.475(b)–1(b)(3) (concerning certain actively traded securities) applies beginning June 19, 1996, to securities held on or after that date, except for securities described in § 1.475(b)–1(e)(1)(i) (concerning equity interests issued by controlled entities). If a security is described in § 1.475(b)–1(e)(1)(i), § 1.475(b)–1(b)(3) applies only on or after January 23, 1997 if the security is held on or after that date. If § 1.475(b)–1(b)(1) ceases to apply to a security by virtue of the operation of this paragraph (d)(1)(iii), the rules of § 1.475(b)–1(b)(4)(ii) apply to the cessation.

(iv) Except to the extent provided in paragraph (d)(1) of this section, § 1.475(b)–1(b)(4) (concerning changes in status) applies beginning June 19, 1996.

(2) Section 1.475(b)–1(c) (concerning securities deemed not held for investment by dealers in notional principal contracts and derivatives) applies to securities acquired on or after January 23, 1997.

(3) Section 1.475(b)–1(d) (concerning the special rule for hedges of another member's risk) is effective for securities acquired, originated, or entered into on or after January 23, 1997.

(e) Section 1.475(b)–2 (concerning identification of securities that are exempt from mark-to-market treatment) applies as follows:

(1) Section 1.475(b)–2(a) (concerning the general rules for identification of basis for exemption from mark to market treatment) applies to identifications made on or after July 1, 1997.

(2) Section 1.475(b)–2(b) (concerning time for identifying a security with a substituted basis) applies to securities acquired, originated, or entered into on or after January 4, 1995.

(3) Section 1.475(b)–2(c) (concerning identification in the context of integrated transactions under § 1.1275–6) applies on and after August 13, 1996 (the effective date of § 1.1275–6).

(f) [Reserved].

(g) Section 1.475(b)–4 (concerning transitional issues relating to exemptions) applies to taxable years ending on or after December 31, 1993.

(h) Section 1.475(c)–1 applies as follows:

(1) Except as otherwise provided in this paragraph (h)(1), § 1.475(c)–1(a)

(concerning the dealer-customer relationship) applies to taxable years beginning on or after January 1, 1995.

(i) [Reserved].

(ii) Section 1.475(c)–1(a)(2)(ii) (illustrating rules concerning the dealer-customer relationship) applies to taxable years beginning on or after June 20, 1996.

(iii) (A) Section 1.475(c)–1(a)(3) applies to taxable years beginning on or after June 20, 1996, except for transactions between members of the same consolidated group.

(B) For transactions between members of the same consolidated group, paragraph § 1.475(c)–1(a)(3) applies to taxable years beginning on or after December 24, 1996.

(2) Section 1.475(c)–1(b) (concerning sellers of nonfinancial goods and services) applies to taxable years ending on or after December 31, 1993.

(3) Except as otherwise provided in this paragraph (h)(3), section 1.475(c)–1(c) (concerning taxpayers that purchase securities but engage in no more than negligible sales of the securities) applies to taxable years ending on or after December 31, 1993.

(i) Section 1.475(c)–1(c)(3) (special rules for members of a consolidated group) is effective for taxable years beginning on or after December 24, 1996.

(ii) A taxpayer may rely on the rules set out in § 1.475(c)–1T(b) (as contained in 26 CFR part 1 revised April 1, 1996) for taxable years beginning before January 23, 1997, provided the taxpayer applies that paragraph reasonably and consistently.

(4) Section 1.475(c)–1(d) (concerning the issuance of life insurance products) applies to taxable years beginning on or after January 1, 1995.

(i) Section 1.475(c)–2 (concerning the definition of security) applies to taxable years ending on or after December 31, 1993. By its terms, however, § 1.475(c)–2(a)(3) applies only to residual interests or to interests or arrangements that are acquired on or after January 4, 1995; and the integrated transactions that are referred to in §§ 1.475(c)–2(a)(2) and 1.475(c)–2(b) exist only after August 13, 1996 (the effective date of § 1.1275–6).

(j) Section 1.475(d)–1 (concerning the character of gain or loss) applies to taxable years ending on or after December 31, 1993.

**PART 602—OMB CONTROL NUMBERS UNDER THE PAPERWORK REDUCTION ACT**

Par. 4. The authority citation for part 602 continues to read as follows:

Authority: 26 U.S.C. 7805.

Par. 5. In § 602.101 paragraph (c) is amended by:

1. Removing the following entry from the table:

**§ 602.101 OMB Control numbers.**

\* \* \* \* \*  
(c) \* \* \*

CFR part or section where identified and described	Current OMB control No.
* * * * *	*
1.475(b)–2T .....	1545–1422
* * * * *	*

2. Adding an entry in numerical order to the table to read as follows:

**§ 602.101 OMB Control numbers.**

\* \* \* \* \*  
(c) \* \* \*

CFR part or section where identified and described	Current OMB control No.
* * * * *	*
1.475(b)–4 .....	1545–1496
* * * * *	*

Approved: December 6, 1996.  
Margaret Milner Richardson,  
*Commissioner of Internal Revenue.*  
Donald C. Lubick,  
*Acting Assistant Secretary of the Treasury.*  
[FR Doc. 96–32248 Filed 12–23–96; 8:45 am]  
BILLING CODE 4830–01–P

**DEPARTMENT OF DEFENSE**

**Department of the Navy**

**32 CFR Part 706**

**Certifications and Exemptions Under the International Regulations for Preventing Collisions at Sea, 1972**

**AGENCY:** Department of the Navy, DOD.  
**ACTION:** Final rule.

**SUMMARY:** The Department of the Navy is amending its certifications and exemptions under the International Regulations for Preventing Collisions at Sea, 1972 (72 COLREGS). The Deputy Assistant Judge Advocate General (Admiralty) of the Navy has determined that prior certifications of noncompliance for USS BUTTE (AE 27), USS SANTA BARBARA (AE 28), and USS MOUNT BAKER (AE 34) should be amended. The intended effect of this rule is to warn mariners in waters where 72 COLREGS apply.

**EFFECTIVE DATE:** December 10, 1996.

**FOR FURTHER INFORMATION**

**CONTACT:** Lieutenant T.M. Carlos, JAGC, USNR, Associate Admiralty Counsel, Office of the Judge Advocate General, Navy Department, 200 Stovall Street, Alexandria, VA 22332-2400, Telephone number: (703) 325-9744.

**SUPPLEMENTARY INFORMATION:** Pursuant to the authority granted in 33 U.S.C. 1605, the Department of the Navy amends 32 CFR Part 706. This amendment provides notice that the Deputy Assistant Judge Advocate General (Admiralty) of the Navy, under authority delegated by the Secretary of the Navy, has determined that certain navigation lights on USS BUTTE (AE 27), USS SANTA BARBARA (AE 28), and USS MOUNT BAKER (AE 34), previously certified as not in compliance with 72 COLREGS, now comply with the applicable 72 COLREGS requirements. Specifically, the horizontal separation between the forward and aft masthead lights on each vessel is now greater than one half of the length of the vessel as required by Annex I, paragraph 3(a).

Moreover, it has been determined, in accordance with 32 CFR Parts 296 and 701, that publication of this amendment for public comment prior to adoption is impracticable, unnecessary, and contrary to public interest since it is based on technical findings that the placement of lights on these vessels in a manner differently from that prescribed herein will adversely affect the vessels' ability to perform their military functions.

List of Subjects in 32 CFR Part 706

Marine safety, Navigation (water), and Vessels.

Accordingly, 32 CFR Part 706 is amended as follows:

**PART 706—[AMENDED]**

1. The authority citation for 32 CFR Part 706 continues to read as follows:

Authority: 33 U.S.C. 1605.

2. Table Five of § 706.2 is amended by deleting the entries for USS BUTTE (AE 27), USS SANTA BARBARA (AE 28), and USS MOUNT BAKER (AE 34).

Dated: December 10, 1996.

Approved:

W.T. Storz,

Commander, JAGC, U.S. Navy Deputy Assistant Judge Advocate General (Admiralty), Acting.

[FR Doc. 96-32574 Filed 12-23-96; 8:45 am]

BILLING CODE 3810-FF-P

**FEDERAL COMMUNICATIONS COMMISSION****47 CFR Part 73**

[MM Docket No. 95-112; RM-8663]

**Radio Broadcasting Services; Lordsburg, NM**

**AGENCY:** Federal Communications Commission.

**ACTION:** Final rule.

**SUMMARY:** The Commission, at the request of Hildalgo County Broadcasters, allots Channel 279C3 to Lordsburg, New Mexico, as the community's second local FM service. See 60 FR 39142, August 1, 1995. Channel 279C3 can be allotted to Lordsburg in compliance with the Commission's minimum distance separation requirements without the imposition of a site restriction, at coordinates 32-20-48 North Latitude and 108-42-36 West Longitude. Mexican concurrence in the allotment has been received since Lordsburg is located within 320 kilometers (199 miles) of the U.S.-Mexican border. With this action, this proceeding is terminated.

**DATES:** Effective February 3, 1997. The window period for filing applications will open on February 3, 1997, and close on March 6, 1997.

**FOR FURTHER INFORMATION CONTACT:** Leslie K. Shapiro, Mass Media Bureau, (202) 418-2180.

**SUPPLEMENTARY INFORMATION:** This is a synopsis of the Commission's Report and Order, MM Docket No. 95-112, adopted December 13, 1996, and released December 20, 1996. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Reference Center (Room 239), 1919 M Street, NW, Washington, D.C. The complete text of this decision may also be purchased from the Commission's copy contractor, International Transcription Service, Inc., (202) 857-3800, 2100 M Street, N.W., Suite 140, Washington, D.C. 20037.

List of Subjects in 47 CFR Part 73

Radio broadcasting.

Part 73 of Title 47 of the Code of Federal Regulations is amended as follows:

**PART 73—[AMENDED]**

1. The authority citation for Part 73 continues to read as follows:

Authority: Secs. 303, 48 Stat., as amended, 1082; 47 U.S.C. 154, as amended.

**§ 73.202 [Amended]**

2. Section 73.202(b), the Table of FM Allotments under New Mexico, is amended by adding Channel 279C3 at Lordsburg.

Federal Communications Commission.

John A. Karousos,

Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 96-32557 Filed 12-23-96; 8:45 am]

BILLING CODE 6712-01-P

**47 CFR Part 73**

[MM Docket No. 96-174; RM-8849]

**Radio Broadcasting Services; Thomaston, AL**

**AGENCY:** Federal Communications Commission.

**ACTION:** Final rule.

**SUMMARY:** This document allots Channel 249A to Thomaston, Alabama, as that community's first local aural transmission service, in response to a petition for rule making filed by Andrea Reynolds. See 61 FR 47470, September 9, 1996. Coordinates used for Channel 249A at Thomaston, are 32-14-11 North Latitude and 87-40-46 West Longitude. With this action, the proceeding is terminated.

**DATES:** Effective February 3, 1997. The window period for filing applications for Channel 249A at Thomaston, Alabama, will open on February 3, 1997, and close on March 6, 1997.

**FOR FURTHER INFORMATION CONTACT:** Nancy Joyner, Mass Media Bureau, (202) 418-2180. Questions related to the window application filing process for Channel 249A at Thomaston, Alabama, should be addressed to the Audio Services Division, Mass Media Bureau, (202) 418-2700.

**SUPPLEMENTARY INFORMATION:** This is a synopsis of the Commission's Report and Order, MM Docket No. 96-174, adopted December 13, 1996, and released December 20, 1996. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC's Reference Center (Room 239), 1919 M Street, NW, Washington, D.C. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Service, Inc., (202) 857-3800, located at 1919 M Street, N.W., Room 246, or 2100 M Street, N.W., Suite 140, Washington, D.C. 20037.

List of Subjects in 47 CFR Part 73

Radio broadcasting.