

**Note 1:** If the statement in paragraph (a) of this AD has been incorporated into the general revisions of the AFM, the general revisions may be incorporated into the AFM, and the copy of this AD may then be removed from the AFM.

#### Alternative Methods of Compliance

(b) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, New York Aircraft Certification Office (ACO), FAA. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, New York ACO.

**Note 2:** Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the New York ACO.

#### Special Flight Permits

(c) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

Issued in Renton, Washington, on July 22, 2003.

**Kalene C. Yanamura,**

*Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.*

[FR Doc. 03-19196 Filed 7-28-03; 8:45 am]

BILLING CODE 4910-13-P

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. 2003-CE-28-AD]

RIN 2120-AA64

#### Airworthiness Directives; Cessna Aircraft Company Models 172R, 172S, 182S, 182T, T182T, 206H, and T206H Airplanes

**AGENCY:** Federal Aviation Administration, DOT.

**ACTION:** Notice of proposed rulemaking (NPRM).

**SUMMARY:** This document proposes to adopt a new airworthiness directive (AD) that would apply to certain Cessna Aircraft Company (Cessna) Models 172R, 172S, 182S, 182T, T182T, 206H, and T206H airplanes that are equipped with a Honeywell KAP 140 autopilot computer system installed on the center instrument control panel near the throttle. This proposed AD would require you to install an update to the operating software of the KAP 140 autopilot computer system, change the unit's part number, and change the software modification identification tab.

This proposed AD is the result of reports of inadvertent and undetected engagement of the autopilot system. The actions specified by this proposed AD are intended to prevent unintentionally engaging the KAP 140 autopilot computer system, which could cause the pilot to take inappropriate actions.

**DATES:** The Federal Aviation Administration (FAA) must receive any comments on this proposed rule on or before September 22, 2003.

**ADDRESSES:** Submit comments to FAA, Central Region, Office of the Regional Counsel, Attention: Rules Docket No. 2003-CE-28-AD, 901 Locust, Room 506, Kansas City, Missouri 64106. You may view any comments at this location between 8 a.m. and 4 p.m., Monday through Friday, except Federal holidays. You may also send comments electronically to the following address: 9-ACE-7-Docket@faa.gov. Comments sent electronically must contain "Docket No. 2003-CE-28-AD" in the subject line. If you send comments electronically as attached electronic files, the files must be formatted in Microsoft Word 97 for Windows or ASCII text.

You may get service information that applies to this proposed AD from Cessna Aircraft Company, Product Support, P.O. Box 7706, Wichita, Kansas 67277; telephone: (316) 517-5800; facsimile: (316) 942-9006 and Honeywell, Business, Regional, and General Aviation, 23500 W. 105th Street, Olathe, Kansas 66061. You may also view this information at the Rules Docket at the address above.

**FOR FURTHER INFORMATION CONTACT:** Dan Withers, Aerospace Engineer, Wichita Aircraft Certification Office (ACO), FAA, 1801 Airport Road, Mid-Continent Airport, Wichita, Kansas 67209; telephone: (316) 946-4196; facsimile: (316) 946-4407.

#### SUPPLEMENTARY INFORMATION:

##### Comments Invited

*How Do I Comment on This Proposed AD?*

The FAA invites comments on this proposed rule. You may submit whatever written data, views, or arguments you choose. You need to include the proposed rule's docket number and submit your comments to the address specified under the caption **ADDRESSES**. We will consider all comments received on or before the closing date. We may amend this proposed rule in light of comments received. Factual information that supports your ideas and suggestions is extremely helpful in evaluating the

effectiveness of this proposed AD action and determining whether we need to take additional rulemaking action.

#### *Are There Any Specific Portions of This Proposed AD I Should Pay Attention To?*

The FAA specifically invites comments on the overall regulatory, economic, environmental, and energy aspects of this proposed rule that might suggest a need to modify the rule. You may view all comments we receive before and after the closing date of the proposed rule in the Rules Docket. We will file a report in the Rules Docket that summarizes each contact we have with the public that concerns the substantive parts of this proposed AD.

#### *How Can I Be Sure FAA Receives My Comment?*

If you want FAA to acknowledge the receipt of your mailed comments, you must include a self-addressed, stamped postcard. On the postcard, write "Comments to Docket No. 2003-CE-28-AD." We will date stamp and mail the postcard back to you.

#### Discussion

##### *What Events Have Caused This Proposed AD?*

We have received reports of an unsafe condition on certain Cessna Models 172R, 172S, 182S, 182T, T182T, 206H, and T206H airplanes that are equipped with a Honeywell KAP 140 autopilot computer system.

The KAP 140 autopilot computer system is located on the lower portion of the center instrument control panel near the throttle on these Cessna airplanes. Because of this location on the instrument control panel of the affected Cessna airplanes, the Autopilot Engage (AP) button could unintentionally be depressed when the pilot pushes the throttle knob forward. The pilot could also unintentionally engage the autopilot system by inadvertently bumping the Heading (HDG) button, Altitude (ALT) mode-select button, or Autopilot Engage (AP) button on the KAP 140 computer. Unless intentionally engaged, the pilot does not know that the autopilot system is engaged.

The Honeywell KAP 140 autopilot computer system is also installed in the New Piper, Inc. Model PA-28-181 airplanes. This proposed AD would not affect these airplanes because of the location of the equipment. The equipment is installed on the center instrument panel near the throttle on the affected airplanes, but is installed in the upper half of the instrument control

panel on the Piper airplanes. The unsafe condition only exists on the Cessna airplanes.

Honeywell has updated the operating software for the KAP 140 autopilot computer system, which will now only allow the AP button on the instrument control panel to engage the autopilot system. This update also adds two voice messages if auto trim operation is detected, lengthens the amount of time that the autopilot button must be depressed in order for it to engage, and changes how the flight control display shows that the AP has been engaged.

#### **What Are the Consequences if the Condition Is Not Corrected?**

If not corrected, inadvertent and undetected engagement of the autopilot system could cause the pilot to take inappropriate actions.

#### **Is There Service Information That Applies to This Subject?**

Cessna has issued Service Bulletin SB02-22-01, dated November 25, 2002.

Honeywell has issued Service Bulletin No: KC 140-M1, dated August 2002; and Installation Bulletin No: 491, dated August 2002.

#### **What Are the Provisions of This Service Information?**

Cessna Service Bulletin SB02-22-02, dated November 25, 2002, specifies installing an update to the autopilot computer system operating software by accomplishing the actions in Honeywell Service Bulletin No: KC 140-M1, dated August 2002.

Honeywell Service Bulletin No: KC 140-M1, dated August 2002, includes procedures for:

- Installing an update to the autopilot computer system operating software;
- Changing the unit part number;
- Placing an M tag on the unit serial number tag; and
- Changing the unit's software modification tag.

Honeywell Installation Bulletin No: 491, dated August 2002, describes the operational changes the software update makes to the KC 140 autopilot computer system.

#### **The FAA's Determination and an Explanation of the Provisions of this Proposed AD**

##### **What Has FAA Decided?**

After examining the circumstances and reviewing all available information related to the incidents described above, we have determined that:

- The unsafe condition referenced in this document exists or could develop

on other Cessna Models 172R, 172S, 182S, 182T, T182T, 206H, and T206H of the same type design;

- The actions specified in the previously-referenced service information should be accomplished on the affected airplanes; and
- AD action should be taken in order to correct this unsafe condition.

#### **What Would This Proposed AD Require?**

This proposed AD would require you to update to the operating software of the KAP 140 autopilot computer system; change the unit's part number; and change the software modification identification tab.

#### **How Does the Revision to 14 CFR Part 39 Affect This Proposed AD?**

On July 10, 2002, FAA published a new version of 14 CFR part 39 (67 FR 47997, July 22, 2002), which governs FAA's AD system. This regulation now includes material that relates to special flight permits, alternative methods of compliance, and altered products. This material previously was included in each individual AD. Since this material is included in 14 CFR part 39, we will not include it in future AD actions.

#### **Cost Impact**

##### **How Many Airplanes Would This Proposed AD Impact?**

We estimate that this proposed AD affects 3,681 airplanes in the U.S. registry.

##### **What Would Be the Cost Impact of This Proposed AD on Owners/Operators of the Affected Airplanes?**

We estimate the following costs to accomplish this proposed modification:

Labor cost	Parts cost	Total cost per airplane
7 workhours × \$65 per hour = \$455.	Not applicable.	\$455.

Not all Cessna Models 172R, 172S, 182S, 182T, T182T, 206H, and T206H airplanes on the U.S. registry have a KAP 140 autopilot computer system installed.

Honeywell will provide warranty credit for labor and parts to the extent noted under WARRANTY INFORMATION in each specified in Honeywell Service Bulletin No: KC 140-M1, dated August 2002.

#### **Regulatory Impact**

##### **Would This Proposed AD Impact Various Entities?**

The regulations proposed herein would not have a substantial direct

effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, it is determined that this proposed rule would not have federalism implications under Executive Order 13132.

#### **Would This Proposed AD Involve a Significant Rule or Regulatory Action?**

For the reasons discussed above, I certify that this proposed action (1) is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft regulatory evaluation prepared for this action has been placed in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption ADDRESSES.

#### **List of Subjects in 14 CFR Part 39**

Air transportation, Aircraft, Aviation safety, Safety.

#### **The Proposed Amendment**

Accordingly, under the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

#### **PART 39—AIRWORTHINESS DIRECTIVES**

1. The authority citation for part 39 continues to read as follows:

**Authority:** 49 U.S.C. 106(g), 40113, 44701.

##### **§ 39.13 [Amended]**

2. FAA amends § 39.13 by adding a new airworthiness directive (AD) to read as follows:

**Cessna Aircraft Company:** Docket No. 2003-CE-28-AD

(a) *What airplanes are affected by this AD?* This AD affects the following airplane models and serial numbers that are:

- (1) equipped with a KAP 140 autopilot computer system, part number (P/N) 065-00176-2602, P/N 065-00176-5402, or P/N 065-00176-7702; and

- (2) certificated in any category;

Model	Serial numbers
172R ....	17280001 through 17281073, 17281075 through 17281127, and 17281130
172S ....	172S8001 through 172S9195, 172S9197, 172S9198, and 172S9200 through 172S9203
182S ....	18280001 through 18280944
182T ....	18280945 through 18281064, 18281067 through 18281145, 18281147 through 18281163, 18281165 through 18281167, and 18281172
T182T ...	T18208001 through T18208109, and T18208111 through T18208177
206H ....	20608001 through 20608183, 20608185, 20608187, and 20608188
T206H ..	T20608001 through T20608039, T20608041 through T20608367, T20608269 through T20608379, T20608381, T20608382, and T20608385

(b) *Who must comply with this AD?*  
Anyone who wishes to operate any of the airplanes identified in paragraph (a) of this AD must comply with this AD.

(c) *What problem does this AD address?*  
The actions specified by this AD are intended to prevent unintentionally engaging the KAP 140 autopilot computer system, which could cause the pilot to take inappropriate actions.

(d) *What actions must I accomplish to address this problem?* To address this problem, you must accomplish the following, unless already accomplished:

Actions	Compliance	Procedures
(1) Install and update the KC 140 autopilot computer system operating software.	Within the next 100 hours time-in-service (TIS) after the effective date of this AD.	In accordance with Honeywell Service Bulletin No: KC 140-M1, dated August 2002, as specified in Cessna Service Bulletin SB02-22-01, dated November 25, 2002.
(2) Accomplish the following: (i) Change the unit part number by attaching flavor sticker, part number (P/N) 057-02203-0003, on the unit's serial tag; (ii) Attach an M decal, P/N 057-02984-0501, in front of the unit serial number (this indicates that the unit's P/N has been changed); and (iii) Attach a software mod tag, P/N 057-05287-0301, in place of the old tag to indicate the software change to SW MOD 03/01..	Prior to further flight after installing the update to the KC 140 autopilot computer system operating software.	In accordance with Honeywell Service Bulletin No: KC 140-M1, dated August 2002, as specified in Cessna Service Bulletin SB02-22-01, dated November 25, 2002.
(3) Only install KC 140 autopilot computer systems, P/Ns 065-00176-2602, 065-00176-5402, and 065-00176-7702, that have been modified as specified in paragraphs (d)(1) and (d)(2) of this AD.	As of the effective date of this AD .....	Not applicable.

You may request a revised flight manual supplement from Cessna or Honeywell at the address specified in paragraph (f) of this AD.

(e) *Can I comply with this AD in any other way?* To use an alternative method of compliance or adjust the compliance time, follow the procedures in 14 CFR 39.19. Send these requests to the Manager, Wichita Aircraft Certification Office (ACO). For information on any already approved alternative methods of compliance, contact Dan Withers, Aerospace Engineer, Wichita Aircraft Certification Office, FAA, 1801 Airport Road, Wichita, Kansas 67209; telephone: (316) 946-4196; facsimile: (316) 946-4107.

(f) *How do I get copies of the documents referenced in this AD?* You may get copies of the documents referenced in this AD from Cessna Aircraft Company, Product Support, P.O. Box 7706, Wichita, Kansas 67277; telephone: (316) 517-5800; facsimile: (316) 942-9006 and Honeywell, Business, Regional, and General Aviation, 23500 W. 105th Street, Olathe, Kansas 66061. You may view these documents at FAA, Central Region, Office of the Regional Counsel, 901 Locust, Room 506, Kansas City, Missouri 64106.

Issued in Kansas City, Missouri, on July 22, 2003.

**David R. Showers,**

*Acting Manager, Small Airplane Directorate, Aircraft Certification Service.*

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## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### 26 CFR Part 1

[REG-133791-02 and REG-105606-99]

**RINS 1545-BA88 1545-AX05**

#### Credit for Increasing Research Activities

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

**ACTION:** Notice of proposed rulemaking; notice of public hearing; and withdrawal of previously proposed regulations.

**SUMMARY:** This document contains proposed regulations relating to the

computation and allocation of the credit for increasing research activities for members of a controlled group of corporations or a group of trades or businesses under common control. These proposed regulations reflect changes made to section 41 by the Revenue Reconciliation Act of 1989 and the Small Business Job Protection Act of 1996, which introduced the alternative incremental research credit. This document also provides notice of a public hearing on these proposed regulations and withdraws the proposed regulations published in the **Federal Register** on January 4, 2000 (65 FR 258). **DATES:** Written or electronic comments must be received by October 27, 2003. Requests to speak and outlines of the topics to be discussed at the public hearing scheduled for November 13, 2003 at 10 a.m. must be received by October 23, 2003.

**ADDRESSES:** Send submissions to: CC:PA:RU (REG-133791-02), room 5226, Internal Revenue Service, POB 7604, Ben Franklin Station, Washington, DC 20044. Submissions may also be hand delivered Monday through Friday