

## SCHEDULE OF FEES FOR CONSULAR SERVICES

Item No.	Fee
<b>Passport and Citizenship Services</b>	
3. Expedited Service: Passport processing within expedited processing period published on the Department's Web site (22 CFR 51.66(b)) or in-person service at a U.S. Passport Agency (not applicable abroad) .....	\$60

**PART 51—PASSPORTS**

■ 4. The authority citation for part 51 continues to read as follows:

**Authority:** 22 U.S.C. 211a, 213, 2651a, 2671(d)(3), 2714, and 3926; 31 U.S.C. 9701; E.O. 11295, 3 CFR, 1966–1970 Comp. p. 570; Sec. 236 Pub. L. 106–113, 113 stat. 1501A–430; 18 U.S.C. 1621(a)(2); 42 U.S.C. 652, as amended by Sec. 370 Pub. L. 104–193 and Sec. 7303 Pub. L. 109–171.

■ 5. Section 51.66(b) is revised to read as follows:

**§ 51.66 Expedited passport processing.**

(b) Expedited passport processing shall mean completing processing within the number of business days published on the Department's Web site, <http://www.travel.state.gov>, commencing when the application reaches a Passport Agency or, if the application is already with a Passport Agency commencing when the request for expedited processing is approved. The processing will be considered completed when the passport is ready to be picked up by the applicant or is mailed to the applicant.

Dated: August 13, 2007.

**Maura Harty,**

*Assistant Secretary, Consular Affairs,  
Department of State.*

[FR Doc. E7–16173 Filed 8–15–07; 8:45 am]

**BILLING CODE 4710–06–P**

**DEPARTMENT OF THE TREASURY****Internal Revenue Service****26 CFR Part 1**

[TD 9335]

**RIN 1545–BG19**

**Disclosure Requirements With Respect to Prohibited Tax Shelter Transactions; Correction**

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

**ACTION:** Correcting amendment.

**SUMMARY:** This document contains correction to temporary regulations (TD 9335) that were published in the **Federal Register** on Friday, July 6, 2007 (72 FR 36869) under section 6033(a)(2) of the Internal Revenue Code that provide rules regarding the form, manner and timing of disclosure obligations with respect to prohibited tax shelter transactions to which tax-exempt entities are parties.

**DATES:** The correction is effective August 16, 2007.

**FOR FURTHER INFORMATION CONTACT:**

Galina Kolomietz, (202) 622–6070, or Michael Blumenfeld, (202) 622–1124 (not toll-free numbers). For questions specifically relating to qualified pension plans, individual retirement accounts, and similar tax-favored savings arrangements, contact Dana Barry, (202) 622–6060 (not a toll-free number).

**SUPPLEMENTARY INFORMATION:****Background**

The temporary regulations that are the subject of this correction are under section 6033 of the Internal Revenue Code.

**Need for Correction**

As published, temporary regulations (TD 9335) contain an error that may prove to be misleading and is in need of clarification.

**List of Subject in 26 CFR Part 1**

Income taxes, Reporting and recordkeeping requirements.

**Correction of Publication**

■ Accordingly, 26 CFR part 1 is corrected by making the following correcting amendment:

**PART 1—INCOME TAXES**

■ **Paragraph 1.** The authority citation for part 1 continues to read, in part, as follows:

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

■ **Par. 2.** Section 1.6033–5T is amended by revising paragraph (e)(1)(i) to read as follows:

**§ 1.6033–5T Disclosure by tax-exempt entities that are parties to certain reportable transactions (temporary).**

(e) \* \* \*  
(1) \* \* \*

(i) *In general.* The disclosure required by this section shall be filed on or before May 15 of the calendar year following the close of the calendar year during which the tax-exempt entity entered into the prohibited tax shelter transaction.

\* \* \* \* \*

**LaNita Van Dyke,**

*Chief, Publications and Regulations Branch,  
Legal Processing Division, Associate Chief  
Counsel (Procedure and Administration).*

[FR Doc. E7–16073 Filed 8–15–07; 8:45 am]

**BILLING CODE 4830–01–P**

**DEPARTMENT OF THE TREASURY****Internal Revenue Service****26 CFR Part 1**

[TD 9335]

**RIN 1545–BG19**

**Disclosure Requirements With Respect to Prohibited Tax Shelter Transactions; Correction**

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

**ACTION:** Correction to temporary regulations.

**SUMMARY:** This document contains correction to temporary regulations (TD 9335) that were published in the **Federal Register** on Friday, July 6, 2007 (72 FR 36869) under section 6033(a)(2) of the Internal Revenue Code that provide rules regarding the form, manner and timing of disclosure obligations with respect to prohibited tax shelter transactions to which tax-exempt entities are parties.

**DATES:** The correction is effective August 16, 2007.

**FOR FURTHER INFORMATION CONTACT:**

Galina Kolomietz, (202) 622–6070, or

Michael Blumenfeld, (202) 622-1124 (not toll-free numbers). For questions specifically relating to qualified pension plans, individual retirement accounts, and similar tax-favored savings arrangements, contact Dana Barry, (202) 622-6060 (not a toll-free number).

#### SUPPLEMENTARY INFORMATION:

##### Background

The temporary regulations that are the subject of this correction are under section 6033 of the Internal Revenue Code.

##### Need for Correction

As published, temporary regulations (TD 9335) contain an error that may prove to be misleading and is in need of clarification.

##### Correction of Publication

Accordingly, the publication of the temporary regulations (TD 9335), which was the subject of FR Doc. E7-12903, is corrected as follows:

On page 36870, column 1, first paragraph of the column, in the preamble, under the paragraph heading “Background”, last line of the paragraph, the language “4965 tax. See § 601.601(d)(2)(ii)(b).” is corrected to read “4965 tax. See § 601.601(d)(2)(ii)(b) of this chapter.”

LaNita Van Dyke,

Chief, Publications and Regulations Branch,  
Legal Processing Division, Associate Chief  
Counsel (Procedure and Administration).

[FR Doc. E7-16081 Filed 8-15-07; 8:45 am]

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## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### 26 CFR Parts 1 and 301

[TD 9356]

RIN 1545-BE43

#### Disregarded Entities; Employment and Excise Taxes

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

**ACTION:** Final regulations.

**SUMMARY:** This document contains final regulations under which qualified subchapter S subsidiaries and single-owner eligible entities that currently are disregarded as entities separate from their owners for Federal tax purposes will be treated as separate entities for employment tax and related reporting requirement purposes. This document also contains final regulations that treat such disregarded entities as separate

entities for purposes of certain excise taxes reported on Forms 720, “Quarterly Federal Excise Tax Return;” 730, “Monthly Tax Return for Wagers;” 2290, “Heavy Highway Vehicle Use Tax Return;” and 11-C, “Occupation Tax and Registration Return for Wagering;” excise tax refunds or payments claimed on Form 8849, “Claim for Refund of Excise Taxes;” and excise tax registrations on Form 637, “Application for Registration (For Certain Excise Tax Activities).” These regulations affect disregarded entities and the owners and employees of disregarded entities with respect to the payment and reporting of Federal employment taxes and the reporting of wage payments. These regulations also affect disregarded entities and their owners in the payment and reporting of certain Federal excise taxes and in registration and claims related to certain Federal excise taxes.

**DATES:** *Effective Date:* These regulations are effective on August 16, 2007.

*Applicability Dates:* With respect to employment taxes, these regulations apply to wages paid on or after January 1, 2009. With respect to excise taxes, these regulations apply to liabilities imposed and actions first required or permitted in periods beginning on or after January 1, 2008.

**FOR FURTHER INFORMATION CONTACT:** John Richards at (202) 622-6040 (on the employment tax provisions) or Susan Athy at (202) 622-3130 (on the excise tax provisions) (not toll-free numbers).

#### SUPPLEMENTARY INFORMATION:

##### Background

This document contains amendments to 26 CFR parts 1 and 301. On October 18, 2005, a notice of proposed rulemaking (REG-114371-05) was published in the **Federal Register** (70 FR 60475) proposing to treat qualified subchapter S subsidiaries (QSubs) (under section 1361(b)(3)(B) of the Internal Revenue Code (Code)) and certain other single-owner eligible entities (under §§ 301.7701-1 through 301.7701-3 of the Procedure and Administrative Regulations) that currently are disregarded as entities separate from their owners (disregarded entities) as separate entities for purposes of employment tax and related reporting requirements and for purposes of certain excise taxes reported on Forms 720, 730, 2290, and 11-C; excise tax refunds or payments claimed on Form 8849; and excise tax registrations on Form 637. Comments addressing employment taxes were received from the public in response to the notice of proposed rulemaking. No comments were received regarding the excise tax

provisions of the proposed regulations. No public hearing was requested or held. After consideration of all the comments, the proposed regulations are adopted as revised by this Treasury decision.

#### Summary of Comments and Changes Made

As provided in the proposed regulations, the final regulations provide that a disregarded entity is treated as a separate entity for purposes of employment taxes and related reporting requirements. The final regulations clarify that the separate entity is treated as a corporation for purposes of employment taxes and related reporting requirements. As provided in the proposed regulations, a disregarded entity continues to be disregarded for other Federal tax purposes. The final regulations clarify that an owner of a disregarded entity treated as a sole proprietorship is subject to taxes under the Self-Employment Contributions Act (SECA) (section 1401 et seq.). Additionally, the final regulations retain the example illustrating that an individual owner of a disregarded entity continues to be treated as self-employed for purposes of SECA taxes, and not as an employee of a disregarded entity for employment tax purposes.

Commentators suggested that the proposed regulations not be finalized, and that Notice 99-6 (1999-1 CB 321) be retained. Notice 99-6 provides that employment taxes and other employment tax obligations with respect to employees of a disregarded entity may be satisfied in one of two ways: (1) Calculation, reporting, and payment of all employment tax obligations with respect to employees of the disregarded entity by its owner (as though the employees of the disregarded entity are employed directly by the owner) and under the owner's name and taxpayer identification number; or (2) separate calculation, reporting, and payment of all employment tax obligations by each state law entity with respect to its employees under its own name and taxpayer identification number.

Commentators stated that the regulations would increase administrative burden for taxpayers that currently choose to pay and report employment taxes at the owner level as permitted by Notice 99-6. Commentators also suggested that if the regulations were finalized, complications could arise for states where state employment tax filings are required at the owner level. No written comments were received from any state.