

figures or factors, alternative approaches, and relevant scientific, technical and economic data. These comments will help the Department evaluate whether a proposed rulemaking is needed and appropriate.

#### *B. Executive Order 13132 (Federalism)*

This ANPRM has been analyzed in accordance with the principles and criteria contained in Executive Order 13132 (“Federalism”). This notice does not propose any regulation that (1) has substantial direct effects on the States, the relationship between the national government and the States, or the distribution of power and responsibilities among the various levels of government, (2) imposes substantial direct compliance costs on State and local governments, or (3) preempts State law. States are already preempted from regulating in this area by the Airline Deregulation Act, 49 U.S.C. 41713. Therefore, the consultation and funding requirements of Executive Order 13132 do not apply.

#### *C. Executive Order 13084*

This ANPRM has been analyzed in accordance with the principles and criteria contained in Executive Order 13084 (“Consultation and Coordination with Indian Tribal Governments”). Because none of the topics on which we are seeking comment would significantly or uniquely affect the communities of the Indian tribal governments or impose substantial direct compliance costs on them, the funding and consultation requirements of Executive Order 13084 do not apply.

#### *D. Regulatory Flexibility Act*

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) requires an agency to review regulations to assess their impact on small entities unless the agency determines that a rule is not expected to have a significant economic impact on a substantial number of small entities. A direct air carrier or foreign air carrier is a small business if it provides air transportation only with small aircraft (i.e., aircraft with up to 60 seats/18,000 pound payload capacity). See 14 CFR 399.73. If the Department proposes to adopt the regulatory initiative discussed in this ANPRM, it is possible that it may have some impact on some small entities but we do not believe that it would have a significant economic impact on a substantial number of small entities. We invite comment to facilitate our assessment of the potential impact of these initiatives on small entities.

#### *E. Paperwork Reduction Act*

Under the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*), no person is required to respond to a collection of information unless it displays a valid OMB control number. This ANPRM does not propose any new information collection burdens.

#### *F. Unfunded Mandates Reform Act*

The Department has determined that the requirements of Title II of the Unfunded Mandates Reform Act of 1995 do not apply to this notice.

Issued this 14th Day of February 2014, in Washington, DC.

**Anthony R. Foxx,**

*Secretary of Transportation.*

[FR Doc. 2014–03684 Filed 2–21–14; 8:45 am]

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## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### 26 CFR Part 1

[REG–120282–10]

RIN 1545–BJ56

#### **Dividend Equivalents From Sources Within the United States; Correction**

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

**ACTION:** Correction to a withdrawal of notice of proposed rulemaking, notice of proposed rulemaking and notice of public hearing.

**SUMMARY:** This document contains corrections to a withdrawal of notice of proposed rulemaking, notice of proposed rulemaking and notice of public hearing (REG–120282–10) that was published in the **Federal Register** on Thursday, December 5, 2013 (78 FR 73128). The proposed rules provide guidance to nonresident alien individuals and foreign corporations that hold certain financial products providing for payments that are contingent upon or determined by reference to U.S. source dividend payments and to withholding agents.

**DATES:** Written or electronic comments and requests for a public hearing for the notice of proposed rulemaking published at 78 FR 73129, December 5, 2013 are still being accepted and must be received by March 5, 2014.

**FOR FURTHER INFORMATION CONTACT:** D. Peter Merkel at (202) 317–6938 (not a toll free number).

**SUPPLEMENTARY INFORMATION:**

#### **Background**

The withdrawal of notice of proposed rulemaking, notice of proposed rulemaking and notice of public hearing (REG–120282–10) that is the subject of these corrections is under section 871 of the Internal Revenue Code.

#### **Need for Correction**

As published, withdrawal of notice of proposed rulemaking, notice of proposed rulemaking and notice of public hearing (REG–120282–10) contains errors that may prove to be misleading and are in need of clarification.

#### **Correction of Publication**

Accordingly, withdrawal of notice of proposed rulemaking, notice of proposed rulemaking and notice of public hearing (REG–120282–10), that was the subject of FR Doc. 2013–28932, is corrected as follows:

1. On page 73131, in the preamble, first column, under paragraph heading “B. Definition of ELI”, second line, the language “specified ELI in the 2012 proposed” is corrected to read “a specified ELI in the 2012 proposed”

2. On page 73134, in the preamble, second column, twelfth line from the bottom of the page, the language “security referenced in the contract” is corrected to read “security referenced in the transaction”.

3. On page 73135, in the preamble, third column, fifteenth line of the first full paragraph, the language “any of the following to has occurred: (a)” is corrected to read “any of the following has occurred: (a)”.

4. On page 73135, in the preamble, third column, Twelfth line from the bottom of the page, the language “option with a delta below 0.7, or both.” is corrected to read “option with a delta below 0.70, or both.”

5. On page 73136, in the preamble, second column, seventh line from the top of the page, the language “for April 11, 2013, beginning at 10 a.m.” is corrected to read “for April 11, 2014, beginning at 10 a.m.”.

#### **§ 1.871–15 [Corrected]**

6. On Page 73137, first column, the first sentence of paragraph (a)(7)(iv)(B) *Example.* (i) should read “Stock X and Stock Y are underlying securities within the meaning of paragraph (a)(11) of this section.”.

7. On page 73137, third column, the first sentence of paragraph (c)(2)(i) should read “A payment pursuant to a section 871(m) transaction that references a distribution with respect to an underlying security is not a dividend equivalent to the extent that the

distribution would not be subject to tax pursuant to section 871 or 881, or withholding under chapter 3 or 4, if the long party owned the underlying security referenced by the section 871(m) transaction.”.

8. On page 73137, third column, the first sentence of paragraph (e) should read “With respect to payments made on or after January 1, 2016, a specified ELI is any ELI acquired by the long party on or after March 5, 2014, that has a delta of 0.70 or greater with respect to an underlying security at the time that the long party acquires the ELI.”.

9. On page 73141, first column, paragraph (l)(6) *Example 3.* (ii) should read “FI’s purchased call option has an initial delta of 0.75 and therefore is a specified ELI and a section 871(m) transaction. FI’s purchased call option and sold put option reference the same underlying security. Because FI sold the put option referencing Stock X to adjust FI’s economic position associated with the call option referencing Stock X, these options are entered into in connection with each other and treated as a combined transaction under paragraph (l)(1) of this section. Because the delta of the combined transaction is tested on the date that FI entered into the additional transaction, the delta of the combined purchased call option and sold put option is 0.60 (0.35 + 0.25). The combined transaction is not a specified ELI; however, the purchased call option remains a specified ELI.”.

#### § 1.1441–1 [Corrected]

10. On page 73142, third column, paragraph (b)(4)(xxiii) should read “If a potential section 871(m) transaction is only a section 871(m) transaction as a result of applying § 1.871–15(l) (combined transactions) and the withholding agent did not know that the long party (or a related person) entered into the potential section 871(m) transaction in connection with any other potential section 871(m) transaction, the potential section 871(m) transaction is exempt from withholding under section 1441(a).”.

**Martin V. Franks,**

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

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## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### 26 CFR Part 1

[REG–130843–13]

RIN 1545–BL74

#### Net Investment Income Tax; Correction

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

**ACTION:** Correction to a withdrawal of notice of proposed rulemaking and notice of proposed rulemaking.

**SUMMARY:** This document contains corrections to a withdrawal of notice of proposed rulemaking and notice of proposed rulemaking (REG–130843–13) that was published in the **Federal Register** on Monday, December 2, 2013, providing guidance on the computation of net investment income.

**DATES:** Written or electronic comments and requests for a public hearing for the notice of proposed rulemaking published at 78 FR 72451, December 2, 2013 are still being accepted and must be received by March 3, 2014.

**FOR FURTHER INFORMATION CONTACT:** Adrienne M. Mikolashek at (202) 317–6852 (not a toll free number).

#### SUPPLEMENTARY INFORMATION:

##### Background

The withdrawal of notice of proposed rulemaking and notice of proposed rulemaking (REG–130843–13) that is the subject of these corrections is under section 1411 of the Internal Revenue Code.

##### Need for Correction

As published, withdrawal of notice of proposed rulemaking and notice of proposed rulemaking (REG–130843–13) contains errors that may prove to be misleading and are in need of clarification.

##### Correction of Publication

Accordingly, withdrawal of notice of proposed rulemaking and notice of proposed rulemaking (REG–130843–13) that was the subject of FR Doc. 2013–28409, is corrected as follows:

1. On page 72456, in the preamble, first column, twenty-first line from the top of the page, the language “taken income account in computing net” is corrected to read “taken into account in computing net”.

2. On page 72456, in the preamble, third column, under the paragraph heading “B. Section 1291 Funds”, first line, the language “The Final 2013 Regulations also” is corrected to read “The 2013 Final Regulations also”.

3. On page 72457, in the preamble, first column, sixth line of the second full paragraph, the language “chapter 1 under section 953(d) and” is corrected to read “chapter 1 under sections 953(d) and”.

4. On page 72457, in the preamble, second column, tenth line of the first full paragraph, the language “calculation rules for CFC QEFs, and” is corrected to read “calculation rules for CFCs, QEFs, and”.

5. On page 72460, in the preamble, first column, second line from the top of the page, the language “2T(e)(3)(ii)(B)(1)(i) requires the taxpayer” is corrected to read “2T(e)(3)(ii)(B)(1)(i) requires the taxpayer”.

6. On page 72460, in the preamble, first column, sixth line of the second full paragraph, the language “469 do not apply for purposes of these” is corrected to read “section 469 do not apply for purposes of these”.

7. On page 72461, in the preamble, second column, twelfth line from the top of the page, the language “through is appropriate” is corrected to read “is appropriate”.

8. On page 72461, in the preamble, third column, under the paragraph heading “G. Information Reporting”, fifth line, the language “commentators expressed concern that” is corrected to read “commentators expressed concern that the”.

#### § 1.1411–4 [Corrected]

9. On Page 72470, first column, the paragraph heading for (g)(11)(ii)(B) *Example 1.* should read “*Example 1. Distributive share for unrealized receivables.*”

10. On page 72470, first column, the first and second sentences of paragraph (g)(11)(ii)(B) *Example 1.* (i), should read “A retires from PRS, a business entity classified as a partnership for Federal Income tax purposes for which capital is not a material income producing factor. A is entitled, pursuant to the partnership agreement, to receive 10% of PRS’s net income for 60 months commencing immediately following A’s retirement in exchange for A’s fair market value share of PRS’s unrealized receivables.”.

11. On page 72470, first column, the fifth sentence of paragraph (g)(11)(ii)(B) *Example 1.* (i), should read “Prior to A’s retirement, A materially participated as a general partner in PRS’s trade or business within the meaning of § 1.469–5T.”.

#### § 1.1411–7 [Corrected]

12. On page 72473, second column, the first sentence of paragraph (c)(4),