when promulgated, will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

The Proposed Amendment

In consideration of the foregoing, the Federal Aviation Administration proposes to amend 14 CFR part 71 as follows:

PART 71—[AMENDED]

1. The authority citation for 14 CFR part 71 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR, 1959–1963 Comp., p. 389; 14 CFR 11.69.

§ 71.1 [Amended]

2. The incorporation by reference in 14 CFR 71.1 of the Federal Aviation Administration Order 7400.9D, Airspace Designations and Reporting Points, dated September 4, 1996, and effective September 16, 1996, is amended as follows:

Paragraph 6005 Class E airspace areas extending upward from 700 feet or more above the surface of the earth.

* * * * *

ANM CO E5 Holyoke, CO [Revised]

Holyoke Airport, CO
(Lat. 40°34′37″N, long.102°16′42″W)

That airspace extending upward from 700 feet above the surface within a 7.5-mile radius of the Holyoke Airport, and within 4.5 miles west and 8 miles east of the 023° bearing from the Holyoke Airport extending from the 7.5-mile radius to 17 miles north, and within 5 miles west and 8 miles east of the 180° bearing from the Holyoke Airport extending from the 7.5-mile radius to 22 miles south.

* * * * *

Issued in Seattle, Washington, on October 29, 1996.

Glenn A. Adams III,

Assistant Manager, Air Traffic Division, Northwest Mountain Region.

[FR Doc. 96–29068 Filed 11–12–96; 8:45 am]

BILLING CODE 4910–13–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 101

[Docket No. 96N–0244]

Food Labeling: Declaration of Free Glutamate in Food

AGENCY: Food and Drug Administration, HHS.

ACTION: Advance notice of proposed rulemaking; extension of comment period.

SUMMARY: The Food and Drug Administration (FDA) is extending to March 12, 1997, the comment period for the advance notice of proposed rulemaking (ANPRM) on the declaration of free glutamate in food. The ANPRM appeared in the Federal Register of September 12, 1996. The agency is taking this action in response to requests for an extension of the comment period. This extension is intended to allow interested persons additional time to submit comments to FDA on the declaration of free glutamate in foods.

DATES: Written comments by March 12, 1997.

ADDRESSES: Submit written comments to the Dockets Management Branch (HFA–305), Food and Drug Administration, 12420 Parklawn Dr., rm. 1–23, Rockville, MD 20857.

FOR FURTHER INFORMATION CONTACT: Felicia B. Satchell, Center for Food Safety and Applied Nutrition (HFS–158), 200 C St. SW., Washington, DC 20204, 202–205–5099.

SUPPLEMENTARY INFORMATION: In the Federal Register of September 12, 1996 (61 FR 48102), FDA issued an ANPRM announcing that it is: (1) Considering establishing labeling requirements to alert MSG-intolerant consumers to the presence of free glutamate in a food when the amount of free glutamate in a serving of the food may contribute to the occurrence of adverse reactions, and (2) intending to establish formal criteria for the use of claims about the absence of MSG to ensure that labels bearing such claims are not misleading. The agency asked a series of questions on both issues. In particular, the agency requested data on the levels of glutamate in foods to determine how many and what kinds of foods would be affected by various regulatory approaches and the associated costs of requiring free glutamate labeling. Interested persons were given until November 12, 1996, to comment on the ANPRM.

FDA received two requests for a 120-day extension of the comment period on its ANPRM on declaration of free glutamate. The requests were from trade associations that collectively represent more than 90 percent of the food industry. Both requests indicated that industry representatives would need to collect and analyze relevant data before comments could be compiled. One request further explained that the data requested by the agency in the ANPRM are not readily available, and that the food industry began collecting this data only after the September 12, 1996, publication of the ANPRM. Furthermore, because of the unanticipated demand for the test kits necessary to measure the glutamate content in foods and the limited number of suppliers of the test kits, the delivery of the kits has been delayed. As further discussed in the second request for an extension, it is expected that the collection and analysis of the preliminary data to identify foods that would be affected by a labeling policy would require an additional 45 days. Once such data have been analyzed it is expected that an additional 60 days will be required to collect and analyze cost estimate data to address analytical costs, administrative costs, potential reformulation costs, label redesign costs, printing costs, and the value of any discarded label and package inventory. Following analysis of the data, a few additional days will be needed to prepare final comments.

After careful consideration, FDA has decided to extend the comment period to March 12, 1997, to allow additional time for the submission of comments on whether the agency should establish labeling requirements to alert MSG-intolerant consumers to the presence of free glutamate in food and whether the agency should establish formal criteria for the use of claims about the absence of MSG. In the ANPRM, the agency asked a series of questions and requested data, as discussed above, because the agency did not have sufficient information on which to base a labeling policy for free glutamate or establish criteria for a ''No MSG'' claim. Consequently, the agency believes that extending the comment period to allow the requested data to be collected is prudent and in the consumer's best interest, because any labeling policy that the agency develops should be based on data that are sound, valid, and that accurately reflects the free glutamate content of foods.

Interested persons may, on or before March 12, 1997, submit to the Dockets

Management Branch (address above) written comments regarding this proposal. Two copies of any comments are to be submitted, except that individuals may submit one copy. Comments are to be identified with the docket number found in brackets in the heading of this document. Received comments may be seen in the office above between 9 a.m. and 4 p.m., Monday through Friday.

Dated: November 8, 1996.

William K. Hubbard,

Associate Commissioner for Policy Coordination.

[FR Doc. 96–29237 Filed 11–8–96; 2:56 pm]

BILLING CODE 4160–01–F

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[REG–251520–96]

RIN 1545–AU70

Classification of Certain Transactions Involving Computer Programs

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking and notice of public hearing.

SUMMARY: This document contains proposed regulations relating to the tax treatment of certain transactions involving the transfer of computer programs. The proposed regulations provide rules for classifying such transactions as sales, licenses, leases, or the provision of services or of know-how under certain provisions of the Internal Revenue Code and tax treaties. This document also provides notice of a public hearing on the proposed regulations.

DATES: Comments must be received by February 11, 1997. Requests to speak (with outlines of oral comments) at a public hearing scheduled for March 19, 1997, at 10 a.m. must be submitted by February 26, 1997.

ADDRESSES: Send submissions to: CC:DOM:CORP:R (REG–251520–96), room 5228, Internal Revenue Service, POB 7604, Ben Franklin Station, Washington, DC 20044. In the alternative, submissions may be hand delivered between the hours of 8 a.m. and 5 p.m. to: CC:DOM:CORP:R (REG–251520–96), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC. Alternately, taxpayers may submit comments electronically via the Internet by selecting the ''Tax Regs'' option on the IRS Home Page, or by submitting comments directly to the IRS Internet site at http:\\www.irs.ustreas.gov\prod\tax__regs\comments.html. The public hearing will be held in the NYU Classroom, room 2615, Internal Revenue Building, 1111 Constitution Avenue NW., Washington, DC.

FOR FURTHER INFORMATION CONTACT: Concerning the regulations, William H. Morris, (202) 622–3880 or Carol P. Tello, (202) 622–3880; concerning submissions and the hearing, Christina Vasquez, (202) 622–7180 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:

Background

These regulations are proposed to clarify the treatment under certain provisions of the Internal Revenue Code (Code) and tax treaties of income from transactions involving computer programs.

I. Introduction

Computer programs are generally protected by copyright law. Typically the protection afforded by copyright law is a principal source of the value of a computer program to the owner of the copyright. Conversely, the principal source of the value of a computer program to the purchaser of a copy of the program is not the protection afforded by copyright law, but the right to use or sell the copy. In this regard, computer programs are similar to other copyrighted works such as books, records, motion pictures, etc. For example, when a copy of a book is purchased, the purchaser does not thereby also acquire any copyright rights. Accordingly, the proposed regulations generally distinguish between transactions in a copyright and in the subject of the copyright.

In developing regulations addressing the treatment of computer programs, the IRS and Treasury generally have been guided by the following principles: (i) the rules should take into account the special features of computer programs, such as the ability to deliver copies electronically as well as physically, and to make perfect copies at little or no cost, and (ii) wherever possible, transactions that are functionally equivalent should be treated similarly. For example, a transaction that involves the transfer for internal use only of fifty copies of a computer program should generally be treated the same as a transfer of one copy (for internal use) with the right to make forty-nine other copies all for internal use. Similarly, if the right to use a computer program is limited in time, the transaction should generally be treated the same irrespective of whether, at the end of the period of permitted use, a disk containing the computer program must be returned, or the program automatically deactivates itself.

II. Copyright Law Principles

Distinguishing between transactions in a copyright and in the subject of the copyright requires an examination of U.S. and foreign copyright law (e.g. EC Directive on Legal Protection of Computer Programs, 1991 (91/250/EEC); and the Berne Convention (Paris Text, July 24, 1971)). An overview of U.S. copyright law as it relates to computer programs is set forth below. However, the IRS and the Treasury do not purport in these regulations to interpret U.S. copyright law and these proposed regulations should not be taken as an expression of the legal or policy views of the U.S. Copyright Office.

The Copyright Act of 1976, as amended (17 U.S.C. 101 et seq.), provides protection against infringement of the exclusive rights of the owner of a copyright in original works of authorship, fixed in any tangible medium of expression, including literary works. (17 U.S.C. 102.) The term *literary works* is defined to include: ''* * * numbers, or other verbal or numerical symbols or indicia, regardless of the nature of the material objects, such as books, periodicals, manuscripts, phonorecords, film, tapes, disks, or cards, in which they are embodied.'' (17 U.S.C. 101.) Thus, computer programs are literary works for purposes of the Copyright Act.

The Copyright Act grants five exclusive rights to a copyright owner. Of these, three are most relevant in the case of computer programs: the right to reproduce copies of the copyrighted work (17 U.S.C. 106(1)); the right to prepare derivative works, which may themselves be separately copyrighted, based upon the copyrighted work (17 U.S.C. 103 and 106(2)); and the right to distribute copies of the copyrighted work to the public by sale or other transfer of ownership, or by rental, lease or lending (17 U.S.C. 106(3)). Additionally, in certain circumstances, the right to publicly perform the copyrighted work (17 U.S.C. 106(4)) and the right to publicly display the copyrighted work may also be relevant (17 U.S.C. 106(5)).

Thus, under U.S. copyright law, the user of a computer program who does not possess any of those five rights (or parts of them) has obtained only rights to use the copyrighted article it possesses. Generally, that user is treated