

Need for Correction

As published, the temporary regulations contain two errors which may prove to be misleading and are in need of clarification.

Correction of Publication

Accordingly, the publication of the temporary regulations which are the subject of FR Doc. 97-12514 is corrected as follows:

§ 1.446-1T [Corrected]

Paragraph 1. On page 26741, column 1, in § 1.446-1T, paragraph (e)(3)(i)(B) is corrected to read as follows:

* * * * *

(e) * * *

(3) * * *

(i) * * *

(B) For any form 3115 filed on or after May 15, 1997, to secure the Commissioner's consent to a taxpayer's change in method of accounting the taxpayer must file the Form 3115 with the Commissioner during the taxable year in which the taxpayer desires to make the change in method of accounting.

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§ 601.204T [Corrected]

Par. 2. On page 26741, column 2, in § 601.204T, paragraph (b)(2) is corrected by removing the last sentence.

Dale D. Goode,

Federal Register Liaison Officer, Assistant Chief Counsel (Corporate).

[FR Doc. 97-13815 Filed 5-23-97; 8:45 am]

BILLING CODE 4830-01-U

PENSION BENEFIT GUARANTY CORPORATION

29 CFR Parts 4003, 4007, 4011, 4041, 4041A, 4043, and 4050

Disaster Relief in Response to Severe Weather and Flooding in the Upper Midwest

AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Notice of disaster relief; waiver of certain penalties and extension of certain deadlines.

SUMMARY: The Pension Benefit Guaranty Corporation is waiving certain penalties and extending certain deadlines in response to the major disasters declared by the President of the United States on account of severe weather and flooding in the Upper Midwest.

FOR FURTHER INFORMATION CONTACT: Harold J. Ashner, Assistant General Counsel, Office of the General Counsel, Suite 340, Pension Benefit Guaranty

Corporation, 1200 K Street, NW., Washington, DC 20005, 202-326-4024 (202-326-4179 for TTY and TDD). (These are not toll-free numbers.)

SUPPLEMENTARY INFORMATION: The Pension Benefit Guaranty Corporation administers the pension plan termination insurance program under title IV of the Employee Retirement Income Security Act of 1974, as amended (29 U.S.C. 1001 *et seq.*). Under ERISA and the PBGC's regulations, a number of deadlines must be met in order to avoid the imposition of penalties or other consequences.

In April 1997, the President of the United States issued declarations, under the Disaster Relief Act of 1974, as amended (42 U.S.C. 5121 *et seq.*), that major disasters exist because of recent severe weather and flooding in the Upper Midwest. When this document was prepared, the following counties had been designated by the Federal Emergency Management Agency (pursuant to 44 CFR 206.40(b)) as areas affected by these disasters:

- In the state of South Dakota: all counties;
- In the state of North Dakota: all counties;
- In the state of Minnesota: Aitkin, Anoka, Becker, Beltrami, Benton, Big Stone, Blue Earth, Brown, Carver, Cass, Chippewa, Clay, Clearwater, Dakota, Douglas, Goodhue, Grant, Hennepin, Houston, Hubbard, Kandiyohi, Kittson, Lac Qui Parle, Lake of the Woods, Le Sueur, Lincoln, Lion, Mahanomen, Marshall, McLeod, Morrison, Nicollet, Norman, Otter Tail, Pennington, Polk, Pope, Ramsey, Red Lake, Redwood, Renville, Roseau, Scott, Sherburne, Sibley, Stearns, Stevens, St. Louis, Swift, Todd, Traverse, Wabasha, Wadena, Washington, Wilkin, Winona, Wright, and Yellow Medicine.

The PBGC is providing relief from certain deadlines and penalties. In general, this relief is applicable with respect to plans for which the administrator's or sponsor's principal place of business, or the office of a service provider, bank, insurance company, or other person maintaining information necessary to meet the applicable deadlines, is located in an area that has been or is hereafter designated a major disaster area on account of severe weather and flooding in the Upper Midwest occurring on or after April 15 and before June 30, 1997 (a "designated disaster area"). However, the extension (discussed below) for filing requests for reconsideration or appeals is applicable to any aggrieved person who is residing in, or whose principal place of business is within, a

designated disaster area, or with respect to whom the office of the service provider, bank, insurance company, or other person maintaining the information necessary to file the request for reconsideration or appeal is within such an area.

Premiums

The PBGC will waive the late payment penalty charge with respect to any premium payment required to be made on or after April 15, 1997, and before June 30, 1997, if the payment is made by June 30, 1997. The PBGC is not permitted by law to waive late payment interest charges. (ERISA section 4007(b); 29 CFR 4007.7 and 4007.8(b)(3).)

Section 4071 Penalties

For any of the following notices that is required to be filed with the PBGC on or after April 15, 1997, and before June 30, 1997, in order to avoid the assessment of section 4071 penalties, the PBGC will not assess a section 4071 penalty if the notice is filed by June 30, 1997:

(1) Post-distribution certification for single-employer plans (PBGC Form 501 or 602; ERISA section 4041 (b)(3)(B) or (c)(3)(B); 29 CFR 4041.27(h) or 4041.48(b)),

(2) Notice of termination for multiemployer plans (ERISA section 4041A; 29 CFR 4041A.11),

(3) Notice of plan amendments increasing benefits by more than \$10 million (ERISA section 307(e)),

(4) Missing participants information for single-employer plans (Schedule MP (including Attachments A and B) to PBGC Forms 501 and 602; ERISA section 4050; 29 CFR 4050.6), and

(5) Premium declarations (PBGC Forms 1 (including Schedule A) and 1-ES; ERISA section 4007; 29 CFR 4007.3).

The PBGC will not assess a section 4071 penalty for a failure to provide certain supporting information and documentation when a notice of failure to make required contributions totaling more than \$1 million (including interest) is timely filed, if the timely filed notice includes at least items 1 through 7 and items 11 and 12 of Form 200; the responses to items 8 through 10, with the certifications in items 11 and 12, may be filed late (PBGC Form 200; ERISA section 302(f)(4); 29 CFR 4043.81). This relief applies to notices required to be filed with the PBGC on or after April 15, 1997, and before June 30, 1997, provided that all supporting information and documentation are filed by June 30, 1997.

The PBGC is not automatically forgoing assessment of penalties under section 4071 for failure to comply with

other information submission requirements, but relief may be granted in individual cases. For example, 29 CFR 4010.11 provides for waivers and extensions for financial and actuarial information reporting under 29 CFR Part 4010.

Reportable Events Notices

With respect to a reportable event for which a post-event notice is required to be filed under subpart B of the PBGC's regulation on Reportable Events (29 CFR 4043.20 through 4043.35) on or after April 15, 1997, and before June 30, 1997, the PBGC is (pursuant to 29 CFR 4043.4(d)) extending to June 30, 1997, the time within which to provide certain supporting information and documentation when a notice of the reportable event is timely filed, if the timely filed notice includes at least the information specified on the front of PBGC Form 10 or, if Form 10 is not filed, the information specified in 29 CFR 4043.3(b) (1) through (5); the extension applies to the information specified on the back of Form 10 or, if Form 10 is not filed, the information specified in 29 CFR 4043.3(b) (6) through (8) and in paragraph (b) of the regulation section that describes the event.

The PBGC is not providing automatic extensions for advance notices of reportable events described in subpart C of the Reportable Events regulation (29 CFR 4043.61 through 4043.68), but waivers and extensions for such notices may be granted individually pursuant to 29 CFR 4043.4(d).

Standard and Distress Termination Notices and Distribution of Assets

With respect to a standard termination for which the standard termination notice is required to be filed, or the distribution of plan assets is required to be completed, on or after April 15, 1997, and before June 30, 1997, the PBGC is (pursuant to 29 CFR 4041.8) extending to June 30, 1997, the time within which the standard termination notice must be filed (and, thus, the time within which notices of plan benefits must be provided) and the time within which the distribution of plan assets must be completed.

With respect to a distress termination for which the distress termination notice is required to be filed on or after April 15, 1997, and before June 30, 1997, the PBGC is (pursuant to 29 CFR 4041.8) extending to June 30, 1997, the time within which the termination notice must be filed. With respect to a distress termination for which notices of benefit distribution must be provided or plan assets must be distributed on or

after April 15, 1997, and before June 30, 1997, as a result of the PBGC's issuance of a distribution notice, the PBGC is (pursuant to 29 CFR 4041.8 and 4041.43(d)) extending to June 30, 1997, the time within which such actions must be taken. In addition, as noted above, the PBGC is providing relief from penalties for late filing of the post-distribution certification.

Participant Notices

For Participant Notices that are required to be issued on or after April 15, 1997, and before June 30, 1997, the PBGC is (pursuant to 29 CFR 4011.8) extending the due date to June 30, 1997.

Requests for Reconsideration or Appeals

For persons who are aggrieved by certain agency determinations and for whom a request for reconsideration or an appeal is required to be filed on or after April 15, 1997, and before June 30, 1997, the PBGC is (pursuant to 29 CFR 4003.4(b)) extending the time for filing to June 30, 1997.

Applying for Waivers/Extensions

A submission to the PBGC to which a waiver or an extension is applicable under this notice should be marked in bold print "FLOODS 5/97, [name of county], [name of state]" at the top center.

Issued in Washington, D.C., this 21st day of May, 1997.

John Seal,
Acting Executive Director, Pension Benefit Guaranty Corporation.
[FR Doc. 97-13844 Filed 5-21-97; 4:05 pm]
BILLING CODE 7708-01-P

POSTAL SERVICE

39 CFR Part 20

International Mail Special Services

AGENCY: Postal Service.
ACTION: Final rule.

The Postal Service is modifying the fees for international mail, special delivery (Express/Exprès) and recorded delivery, and is changing the insurance limits for international insured mail and Express Mail. These changes are a consequence of the Governors of the Postal Service to approve the recommended decision of the PRC in docket number MC96-3.

EFFECTIVE DATE: 12:01 a.m., June 8, 1997.

ADDRESSES: Written comments should be directed to the Manager, Pricing, Costing, and Classification, Room 370-IBU, International Business Unit, U.S.

Postal Service, Washington, D.C. 20260-6500. Copies of all written comments will be available for public inspection between 9 a.m. and 4 p.m., Monday through Friday, in the International Business Unit, 901 D Street S.W., 10th Floor, Washington, D.C.

FOR FURTHER INFORMATION CONTACT: Walter J. Grandjean, (202) 314-7256.

SUPPLEMENTARY INFORMATION: On June 7, 1996, the Postal Service filed with the Postal Rate Commission a Special Services Reform case (MC96-3). The Postal Rate Commission issued its Opinion and Recommended Decision on April 2, 1997. This was adopted by the Postal Service Board of Governors on May 5, 1997.

While the Postal Rate Commission does not recommend international postage rates and special mail service fees, domestic fees impact the level of fees and conditions of service for international special mail services. In general, the Universal Postal Convention (Convention) and the Postal Parcels Agreement (PPA) fix the maximum fees for special mail services but allow higher fees based on the fees for comparable domestic services. Likewise, the Convention and PPA allow a maximum limit of liability but allow lower limits based on the limit of liability. In view of the changes for domestic special services, as a result of the decision in Docket MC96-3, it is necessary to make changes for international special services.

Accordingly, the Postal Service adopts the following changes in the conditions of service and fees for international special services:

1. Insured Mail: The limit of indemnity is raised to \$5000 unless the destination country's insurance limit is less. In this case the lower limit will apply. Table 1 lists limits available to all countries offering insured parcel post service. The fees are:

Limit of indemnity	Fee	
	Canada	All other countries
\$50	\$0.75	\$1.60.
\$100	\$1.60	\$2.50.
over \$100 to \$5000.	\$1.60 plus \$0.90 for each additional \$100 or fraction thereof.	\$2.50 plus \$0.90 for each additional \$100 or fraction thereof.

2. International Express Mail: The limit of indemnity for merchandise insurance is increased from \$500 to \$5000. The first \$500 of merchandise is without charge above the postage. For merchandise insurance coverage over