

§ 135.364 Maximum flying time outside the United States.

After February 15, 2008, no certificate holder may operate an airplane, other than an all-cargo airplane with more than two engines, on a planned route that exceeds 180 minutes flying time (at the one-engine-inoperative cruise speed under standard conditions in still air) from an Adequate Airport outside the continental United States unless the operation is approved by the FAA in accordance with Appendix G of this part, Extended Operations (ETOPS).

■ 5. In appendix G of part 135, in section G135.2.8, revise paragraph (c) and the introductory text to paragraph (h) to read as follows:

Appendix G to Part 135—Extended Operations (ETOPS)

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G135.2.8 Maintenance Program Requirements

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(c) *Limitations on dual maintenance.* (1) Except as specified in paragraph G135.2.8(c)(2) of this appendix, the certificate holder may not perform scheduled or unscheduled dual maintenance during the same maintenance visit on the same or a substantially similar ETOPS Significant System listed in the ETOPS maintenance document, if the improper maintenance could result in the failure of an ETOPS Significant System.

(2) In the event dual maintenance as defined in paragraph G135.2.8(c)(1) of this appendix cannot be avoided, the certificate holder may perform maintenance provided:

(i) The maintenance action on each affected ETOPS Significant System is performed by a different technician, or

(ii) The maintenance action on each affected ETOPS Significant System is performed by the same technician under the direct supervision of a second qualified individual; and

(iii) For either paragraph G135.2.8(c)(2)(i) or (ii) of this appendix, a qualified individual conducts a ground verification test and any in-flight verification test required under the program developed pursuant to paragraph G135.2.8(d) of this appendix.

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(h) *Enhanced Continuing Analysis and Surveillance System (E-CASS) program.* A certificate holder's existing CASS must be enhanced to include all elements of the ETOPS maintenance program. In addition to the reporting requirements of § 135.415 and § 135.417, the program includes reporting procedures, in the form specified in § 135.415(e), for the following significant events detrimental to ETOPS within 96 hours of the occurrence to the certificate holding district office (CHDO):

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Issued in Washington, DC, on May 2, 2007.

Rebecca MacPherson,

Assistant Chief Counsel, Regulations Division.

[FR Doc. E7-8810 Filed 5-9-07; 8:45 am]

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

[TD 9323]

RIN 1545-BF64

Revisions to Regulations Relating to Repeal of Tax on Interest of Nonresident Alien Individuals and Foreign Corporations Received From Certain Portfolio Debt Investments; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correction to final regulations.

SUMMARY: This document contains corrections to final regulations (TD 9323) that were published in the **Federal Register** on Thursday, April 12, 2007 (72 FR 18386) relating to the exclusion from gross income of portfolio interest paid to a nonresident alien individual or foreign corporation.

DATES: The correction is effective May 10, 2007.

FOR FURTHER INFORMATION CONTACT: Kathryn Holman of the Office of the Associate Chief Counsel (International), (202) 622-3840 (not a toll-free call).

SUPPLEMENTARY INFORMATION:**Background**

The final regulations that are the subject of this correction are under sections 871 and 881 of the Internal Revenue Code.

Need for Correction

As published, final regulations (TD 9323) contain errors that may prove to be misleading and are in need of clarification.

Correction of Publication

Accordingly, the publication of the final regulations (TD 9323), which were the subject of FR Doc. E7-6766, is corrected as follows:

1. On page 18386, column 3, in the preamble, under the paragraph heading “1. Time for Applying the 10-Percent Shareholder Test”, ninth line of the last paragraph of the column, the language “under section 6031(c) is mailed, or the” is corrected to read “under section 6031(b) is mailed, or the”.

2. On page 18387, column 1, in the preamble, under the paragraph heading “1. Time for Applying the 10-Percent Shareholder Test”, tenth line of the first paragraph of the column, the language “section 6031(c) is mailed or otherwise” is corrected to read “section 6031(b) is mailed or otherwise”.

LaNita Van Dyke,

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

[FR Doc. E7-8923 Filed 5-9-07; 8:45 am]

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

[TD 9323]

RIN 1545-BF64

Revisions to Regulations Relating to Repeal of Tax on Interest of Nonresident Alien Individuals and Foreign Corporations Received From Certain Portfolio Debt Investments; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correcting amendment.

SUMMARY: This document contains a correction to final regulations (TD 9323) that were published in the **Federal Register** on Thursday, April 12, 2007 (72 FR 18386) relating to the exclusion from gross income of portfolio interest paid to a nonresident alien individual or foreign corporation.

DATES: The correction is effective May 10, 2007.

FOR FURTHER INFORMATION CONTACT: Kathryn Holman of the Office of the Associate Chief Counsel (International), (202) 622-3840 (not a toll-free call).

SUPPLEMENTARY INFORMATION:**Background**

The final regulations that are the subject of this correction are under sections 871 and 881 of the Internal Revenue Code.

Need for Correction

As published, final regulations (TD 9323) contain an error that may prove to be misleading and is in need of clarification.

List of Subjects 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 1.871–14 is amended by revising the second sentence of paragraph (g)(3)(ii) to read as follows:

§ 1.871–14 Rules relating to repeal of tax on interest of nonresident alien individuals and foreign corporations received from certain portfolio debt investments.

* * * * *

(g) * * *

(3) * * *

(ii) * * * For example, in the case of U.S. source interest paid by a domestic corporation to a domestic partnership or withholding foreign partnership (as defined in § 1.1441–5(c)(2)), the 10-percent shareholder test is applied when any distributions that include the interest are made to a foreign partner and, to the extent that a foreign partner's distributive share of the interest has not actually been distributed, on the earlier of the date that the statement required under section 6031(b) is mailed or otherwise provided to such partner, or the due date for furnishing such statement. * * *

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LaNita Van Dyke,

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

[FR Doc. E7–8922 Filed 5–9–07; 8:45 am]

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POSTAL SERVICE

39 CFR Part 111

New Standards for First-Class Mail and Priority Mail Services

AGENCY: Postal Service.

ACTION: Final rule.

SUMMARY: The Postal Service will adopt new mailing standards and prices on May 14, 2007, to support most of the pricing change recommended by the Postal Regulatory Commission and approved by the Governors of the United States Postal Service. After a reconsideration by the Postal Regulatory Commission, we are lowering the price for the Priority Mail flat-rate box to \$8.95 from the previously recommended \$9.15, and extending the \$0.17

nonmachinable surcharge to all nonmachinable single-piece and presorted First-Class Mail letters, regardless of weight.

EFFECTIVE DATE: 12:01 a.m. on May 14, 2007.

FOR FURTHER INFORMATION CONTACT: Joel Walker, 202–268–7261.

SUPPLEMENTARY INFORMATION: The Postal Service's request in Docket No. R2006–1 included mail classification changes, new pricing structures, and price changes for most domestic mailing services. This final rule provides new revisions to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM) that we will adopt to implement two items that were reconsidered in the R2006–1 pricing change.

You can find more information about the pricing change at <http://www.usps.com/ratecase>, including our proposed and final rules for all of the rate and classification changes. Our Web site provides frequently asked questions, press releases, and *Mailers Companion* and *MailPro* articles for business mailers. We also posted a new version of the DMM with all of the prices and standards effective May 14, including the reconsidered prices in this final rule. We encourage you to use these materials as you prepare for the pricing change.

Background

The Postal Service Board of Governors set May 14, 2007, as the implementation date for new prices and related changes for all classes of mail and extra services, with the exception of Periodicals mail, which we will implement on July 15, 2007. While the Governors acted to implement all of the Postal Regulatory Commission's recommended rates, they also asked the Commission to reconsider three issues: the prices for Standard Mail flats, the application of the nonmachinable surcharge for First-Class Mail letters, and the price for the Priority Mail flat-rate box.

On April 27, 2007, the Commission issued its Opinion and Recommended Decision on Reconsideration regarding the nonmachinable surcharge for First-Class Mail letters and the price for the Priority Mail flat-rate box. The Commission recommended that we remove the “1-ounce or less” limitation on the nonmachinable surcharge for First-Class Mail letters, and charge \$8.95 for the Priority Mail flat-rate box. The Postal Service Board of Governors approved the recommended changes and set May 14, 2007, as the effective date.

Summary of First-Class Mail Changes

Letter-rate First-Class Mail pieces with any of the nonmachinable characteristics in DMM 201.2.1 are subject to a \$0.17 nonmachinable surcharge. Originally the Commission recommended the surcharge only for pieces weighing 1 ounce or less.

Summary of Priority Mail Changes

The USPS-produced flat-rate box is charged \$8.95, not \$9.15 as the Commission originally recommended.

We adopt the following amendments to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM), incorporated by reference in the Code of Federal Regulations. See 39 CFR 111.1.

List of Subjects in 39 CFR Part 111

Administrative practice and procedure, Postal Service.

■ Accordingly, 39 CFR part 111 is amended as follows:

PART 111—[AMENDED]

■ 1. The authority citation for 39 CFR part 111 continues to read as follows:

Authority: 5 U.S.C. 552(a); 39 U.S.C. 101, 401, 403, 404, 414, 3001–3011, 3201–3219, 3403–3406, 3621, 3626, 5001.

■ 2. Revise the following sections of *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM), as follows:

Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM)

[Revise the rate tables and the text throughout the DMM to apply a \$0.17 nonmachinable surcharge to all First-Class Mail letters that meet one or more of the nonmachinable characteristics in 101.1.2.]

100 Retail Mail: Letters, Cards, Flats, and Parcels

* * * * *

120 Retail Mail: Priority Mail

123 Rates and Eligibility

1.0 Priority Mail Rates and Fees

[Revise the rate tables to change the Priority Mail flat-rate box price to \$8.95.]

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1.5 Flat-Rate Boxes and Envelopes

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1.5.1 Flat-Rate Boxes—Rate and Eligibility

[Update the flat-rate box price to \$8.95 as follows:]