

## APPENDIX 1.—IMPLEMENTING FUEL TANK SYSTEM AIRWORTHINESS LIMITATIONS ON MODEL 737-600, -700, -700C -800, AND -900 SERIES AIRPLANES—Continued

| AWL No.         | ALI/CDCCL   | ATA section or CMM document | Task title   | Task No.          |
|-----------------|-------------|-----------------------------|--|-------------------|
| 28-AWL-22 ..... | CDCCL ..... | AMM 28-22-21/401 .....      | Install the Valve Adapter of the Spar Valve.             | 28-22-11-400-805. |
|                 |             |                             | Install the Actuator of the Engine Fuel Crossfeed Valve. | 28-22-21-400-804. |
|                 |             |                             | Install the Engine Fuel Crossfeed Valve Adapter.         | 28-22-21-400-805. |
|                 |             | CMM 28-20-21.               |  |                   |

Issued in Renton, Washington, on June 22, 2007.

**Ali Bahrami,**

Manager, Transport Airplane Directorate,  
Aircraft Certification Service.

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BILLING CODE 4910-13-P

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. FAA-2007-28619; Directorate Identifier 2007-NM-004-AD]

RIN 2120-AA64

#### Airworthiness Directives; Viking Air Limited Model DHC-7 Airplanes

**AGENCY:** Federal Aviation Administration (FAA), Department of Transportation (DOT).

**ACTION:** Notice of proposed rulemaking (NPRM).

**SUMMARY:** The FAA proposes to adopt a new airworthiness directive (AD) for all Viking Air Limited Model DHC-7 airplanes. This proposed AD would require an inspection of certain SM-200 servo drive units (power servo motor and housing assemblies) for certain markings, related investigative action if necessary, and modification if necessary. This proposed AD results from a report that some SM-200 servo drive units that were not in configuration MOD H are installed on Model DHC-7 airplanes. MOD H prevents the internal clutch fasteners from backing out. We are proposing this AD to prevent the possibility of internal clutch fasteners from backing out, which could cause an inadvertent servo engagement and consequent reduced controllability of the airplane.

**DATES:** We must receive comments on this proposed AD by August 6, 2007.

**ADDRESSES:** Use one of the following addresses to submit comments on this proposed AD.

- **DOT Docket Web site:** Go to <http://dms.dot.gov> and follow the instructions for sending your comments electronically.

- **Government-wide rulemaking Web site:** Go to <http://www.regulations.gov> and follow the instructions for sending your comments electronically.

- **Mail:** U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue, SE., Washington, DC 20590.

- **Fax:** (202) 493-2251.
- **Hand Delivery:** Room W12-140 on the ground floor of the West Building, 1200 New Jersey Avenue, SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Contact Viking Air Limited, 9574 Hampden Road, Sidney, British Columbia V8L 5V5, Canada, for service information identified in this proposed AD.

**FOR FURTHER INFORMATION CONTACT:** Ezra Sasson, Aerospace Engineer, Airframe and Propulsion Branch, ANE-171, FAA, New York Aircraft Certification Office, 1600 Stewart Avenue, Suite 410, Westbury, New York 11590; telephone (516) 228-7320; fax (516) 794-5531.

#### SUPPLEMENTARY INFORMATION:

##### Comments Invited

We invite you to submit any relevant written data, views, or arguments regarding this proposed AD. Send your comments to an address listed in the **ADDRESSES** section. Include the docket number "FAA-2007-28619; Directorate Identifier 2007-NM-004-AD" at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of the proposed AD. We will consider all comments received by the closing date and may amend the proposed AD in light of those comments.

We will post all comments we receive, without change, to <http://dms.dot.gov>, including any personal information you provide. We will also

post a report summarizing each substantive verbal contact with FAA personnel concerning this proposed AD. Using the search function of that Web site, anyone can find and read the comments in any of our dockets, including the name of the individual who sent the comment (or signed the comment on behalf of an association, business, labor union, etc.). You may review the DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (65 FR 19477-78), or you may visit <http://dms.dot.gov>.

#### Examining the Docket

You may examine the AD docket on the Internet at <http://dms.dot.gov>, or in person at the Docket Operations office between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The Docket Operations office (telephone (800) 647-5527) is located on the ground floor of the West Building at the street address stated in the **ADDRESSES** section. Comments will be available in the AD docket shortly after the Docket Management System receives them.

#### Discussion

Transport Canada Civil Aviation (TCCA), which is the airworthiness authority for Canada, notified us that an unsafe condition might exist on all Viking Air Limited Model DHC-7 airplanes. TCCA advises that investigation revealed that some SM-200 servo drive units (power servo motor and housing assemblies) within certain date codes installed on the automatic flight control system of the de Havilland DHC-7 aircraft were mislabeled as having been manufactured to MOD H configuration when, in fact, they did not have MOD H installed. MOD H prevents the possibility of internal clutch fasteners from backing out. This condition, if not corrected, could result in the internal clutch fasteners backing out, which could cause an inadvertent servo engagement and consequent reduced controllability of the airplane.

### Relevant Service Information

Viking has issued Alert Service Bulletin 7-22-20, dated May 29, 2006. The alert service bulletin describes procedures for doing an inspection of the SM-200 power servo motor and housing assembly, part numbers 4006719-904, -913, and -933, to determine if MOD H is marked, related investigative action if necessary, and modification of the power servo motor and housing assembly if necessary. The related investigative action is an inspection for certain dates of power servo motor and housing assemblies that have been marked MOD H. Modifications are done if MOD H is not marked on the power servo motor and housing assembly and if power servo motor and housing assemblies that have been marked MOD H are within certain

dates. Accomplishing the actions specified in the service information is intended to adequately address the unsafe condition. TCCA mandated the service information and issued Canadian airworthiness directive CF-2006-18, dated July 17, 2006, to ensure the continued airworthiness of these airplanes in Canada.

The alert service bulletin refers to Honeywell Alert Service Bulletin 4006719-22-A0016 (Pub. No. A21-1146-008), Revision 001, dated November 1, 2004 as an additional source of service information for doing the inspection and modification.

### FAA's Determination and Requirements of the Proposed AD

These airplanes are manufactured in Canada and are type certificated for operation in the United States under the

provisions of section 21.29 of the Federal Aviation Regulations (14 CFR 21.29) and the applicable bilateral airworthiness agreement. Pursuant to this bilateral airworthiness agreement, TCCA has kept the FAA informed of the situation described above. We have examined TCCA's findings, evaluated all pertinent information, and determined that we need to issue an AD for airplanes of this type design that are certificated for operation in the United States.

Therefore, we are proposing this AD, which would require accomplishing the actions specified in the service information described previously.

### Costs of Compliance

The following table provides the estimated costs for U.S. operators to comply with this proposed AD.

ESTIMATED COSTS

| Action           | Work hours | Average labor rate per hour | Cost per airplane | Number of U.S.-registered airplanes | Fleet cost |
|------------------|------------|-----------------------------|-------------------|-------------------------------------|------------|
| Inspection ..... | 1          | \$80                        | \$80              | 21                                  | \$1,680    |

### Authority for This Rulemaking

Title 49 of the United States Code specifies the FAA's authority to issue rules on aviation safety. Subtitle I, Section 106, describes the authority of the FAA Administrator. Subtitle VII, Aviation Programs, describes in more detail the scope of the Agency's authority.

We are issuing this rulemaking under the authority described in Subtitle VII, Part A, Subpart III, Section 44701, "General requirements." Under that section, Congress charges the FAA with promoting safe flight of civil aircraft in air commerce by prescribing regulations for practices, methods, and procedures the Administrator finds necessary for safety in air commerce. This regulation is within the scope of that authority because it addresses an unsafe condition that is likely to exist or develop on products identified in this rulemaking action.

### Regulatory Findings

We have determined that this proposed AD would not have federalism implications under Executive Order 13132. This proposed AD would not have a substantial direct effect on the States, on the relationship between the national Government and the States, or on the distribution of power and responsibilities among the various levels of government.

For the reasons discussed above, I certify that the proposed regulation:

1. Is not a "significant regulatory action" under Executive Order 12866;
2. Is not a "significant rule" under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and
3. Will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

We prepared a regulatory evaluation of the estimated costs to comply with this proposed AD and placed it in the AD docket. See the **ADDRESSES** section for a location to examine the regulatory evaluation.

### List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

### The Proposed Amendment

Accordingly, under the authority delegated to me by the Administrator, the FAA proposes to amend 14 CFR part 39 as follows:

### PART 39—AIRWORTHINESS DIRECTIVES

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

**Authority:** 49 U.S.C. 106(g), 40113, 44701.

### § 39.13 [Amended]

2. The Federal Aviation Administration (FAA) amends § 39.13 by adding the following new airworthiness directive (AD):

**Viking Air Limited (Formerly Bombardier, Inc.):** Docket No. FAA-2007-28619; Directorate Identifier 2007-NM-004-AD.

### Comments Due Date

(a) The FAA must receive comments on this AD action by August 6, 2007.

### Affected ADs

(b) None.

### Applicability

(c) This AD applies to all Viking Air Limited Model DHC-7-1, DHC-7-100, DHC-7-101, DHC-7-102, and DHC-7-103 airplanes, certificated in any category.

### Unsafe Condition

(d) This AD results from a report that some SM-200 servo drive units (power servo motor and housing assemblies) that were not in configuration MOD H are installed on Model DHC-7 airplanes. MOD H prevents the possibility of internal clutch fasteners from backing out. We are issuing this AD to prevent the internal clutch fasteners from backing out, which could cause an inadvertent servo engagement and consequent reduced controllability of the airplane.

### Compliance

(e) You are responsible for having the actions required by this AD performed within the compliance times specified, unless the actions have already been done.

**Inspection and Modification**

(f) Within 12 months after the effective date of this AD: Inspect the SM-200 power servo motor and housing assembly, part numbers 4006719-904, -913 and -933, to determine if MOD H is marked, and before further flight, do all applicable related investigative action and modifications of the power servo motor and housing assembly, in accordance with the Accomplishment Instructions of Viking Alert Service Bulletin 7-22-20, dated May 29, 2006.

**Note 1:** The alert service bulletin refers to Honeywell Alert Service Bulletin 4006719-22-A0016 (Pub. No. A21-1146-008), Revision 001, dated November 1, 2004, as an additional source of service information for doing the inspection, related investigative action, and modifications.

**Alternative Methods of Compliance (AMOCs)**

(g)(1) The Manager, New York Aircraft Certification Office, FAA, has the authority to approve AMOCs for this AD, if requested in accordance with the procedures found in 14 CFR 39.19.

(2) To request a different method of compliance or a different compliance time for this AD, follow the procedures in 14 CFR 39.19. Before using any approved AMOC on any airplane to which the AMOC applies, notify your appropriate principal inspector (PI) in the FAA Flight Standards District Office (FSDO), or lacking a PI, your local FSDO.

**Related Information**

(h) Canadian airworthiness directive CF-2006-18, dated July 17, 2006, also addresses the subject of this AD.

Issued in Renton, Washington, on June 25, 2007.

**Ali Bahrami,**

*Manager, Transport Airplane Directorate,  
Aircraft Certification Service.*

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**DEPARTMENT OF THE TREASURY****Internal Revenue Service****26 CFR Parts 1, 53, 54 and 301**

[REG-142039-06; REG-139268-06]

**RIN 1545-BG18; 1545-BG20**

**Excise Taxes on Prohibited Tax Shelter Transactions and Related Disclosure Requirements; Disclosure Requirements With Respect to Prohibited Tax Shelter Transactions; Requirement of Return and Time for Filing**

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

**ACTION:** Notice of proposed rulemaking by reference to temporary regulations and notice of proposed rulemaking.

**SUMMARY:** This document contains proposed regulations that provide guidance under section 4965 of the Internal Revenue Code (Code), relating to entity-level and manager-level excise taxes with respect to prohibited tax shelter transactions to which tax-exempt entities are parties; §§ 6033(a)(2) and 6011(g), relating to certain disclosure obligations with respect to such transactions; and §§ 6011 and 6071, relating to the requirement of a return and time for filing with respect to section 4965 taxes. In the Rules and Regulations section of this issue of the **Federal Register**, the IRS is issuing cross-referencing temporary regulations that provide guidance under § 6033(a)(2), relating to certain disclosure obligations with respect to prohibited tax shelter transactions; and §§ 6011 and 6071, relating to the requirement of a return and time for filing with respect to § 4965 taxes. This action is necessary to implement § 516 of the Tax Increase Prevention Reconciliation Act of 2005. These proposed regulations affect a broad array of tax-exempt entities, including charities, state and local government entities, Indian tribal governments and employee benefit plans, as well as entity managers of these entities.

**DATES:** Written or electronic comments and requests for a public hearing must be received by October 4, 2007.

**ADDRESSES:** Send submissions to: CC:PA:LPD:PR (REG-142039-06; REG-139268-06), room 5203, Internal Revenue Service, PO Box 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand delivered Monday through Friday between the hours of 8 a.m. and 4 p.m. to: CC:PA:LPD:PR (REG-142039-06, REG-139268-06), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue, NW., Washington, DC. Alternatively, taxpayers may submit comments electronically via the Federal eRulemaking Portal at <http://www.regulations.gov> (IRS-REG-142039-06; REG-139268-06).

**FOR FURTHER INFORMATION CONTACT:**

Concerning the regulations, Galina Kolomietz, (202) 622-6070 or Michael Blumenfeld, (202) 622-1124; concerning submission of comments and requests for a public hearing, Richard Hurst, [Richard.A.Hurst@irs.counsel.treas.gov](mailto:Richard.A.Hurst@irs.counsel.treas.gov) (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:****Paperwork Reduction Act**

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by the Office of Management and Budget.

The collection of information in this proposed regulation is in § 301.6011(g)-1. The collection of information in § 301.6011(g)-1 flows from section 6011(g) which requires a taxable party to a prohibited tax shelter transaction to disclose to any tax-exempt entity that is a party to the transaction that the transaction is a prohibited tax shelter transaction. The likely recordkeepers are taxable entities or individuals that participate in prohibited tax shelter transactions. Estimated number of recordkeepers: 1,250 to 6500. The information that is required to be collected for purposes of § 301.6011(g)-1 is a subset of information that is required to be collected in order to complete and file Form 8886, "Reportable Transaction Disclosure Statement." The estimated paperwork burden for taxpayers filling out Form 8886 is approved under OMB number 1545-1800 and is as follows:

|  |                |
|--|----------------|
| Recordkeeping .....  | 6 hr., 13 min. |
| Learning about the law or the form.                              | 4 hr., 28 min. |
| Preparing, copying, assembling, and sending the form to the IRS. | 4 hr., 46 min. |

Based on the numbers in the preceding paragraph, the total estimated burden per recordkeeper complying with the disclosure requirement in § 301.6011(g)-1 will not exceed 15 hr., 27 min. This burden has been submitted to the Office of Management and Budget for review.

Books and records relating to the collection of information must be retained as long as their contents may become material in the administration of any internal revenue law.

**Background**

The Tax Increase Prevention and Reconciliation Act of 2005, Public Law 109-222 (120 Stat. 345) (TIPRA), enacted on May 17, 2006, defines certain transactions as prohibited tax shelter transactions and imposes excise taxes and disclosure requirements with respect to prohibited tax shelter transactions to which a tax-exempt entity is a party. Section 516 of TIPRA creates new § 4965 and amends §§ 6033(a)(2) and 6011(g) of the Code.

On July 11, 2006, the IRS released Notice 2006-65 (2006-31 IRB 102), which alerted taxpayers to the new provisions and solicited comments