

Postal Service ZIP Codes 43901, 43907, 43917, and 43943, and includes the stations of East Cadiz (milepost 185), Kenwood (milepost 189), Adena (milepost 192), Dillonvale (milepost 199.9), and Warrenton (milepost 204).

The line does not contain federally granted rights-of-way. Any documentation in W&LE's possession will be made available promptly to those requesting it.

The interest of railroad employees will be protected by the conditions set forth in *Oregon Short Line R. Co.—Abandonment—Goshen*, 360 I.C.C. 91 (1979).

By issuance of this notice, the Board is instituting an exemption proceeding pursuant to 49 U.S.C. 10502(b). A final decision will be issued by October 19, 1999.

Any offer of financial assistance (OFA) under 49 CFR 1152.27(b)(2) will be due no later than 10 days after service of a decision granting the petition for exemption. Each offer must be accompanied by a \$1,000 filing fee. See 49 CFR 1002.2(f)(25).

All interested persons should be aware that, following abandonment of rail service and salvage of the line, the line may be suitable for other public use, including interim trail use. Any request for a public use condition under 49 CFR 1152.28 or for trail use/rail banking under 49 CFR 1152.29 will be due no later than August 10, 1999. Each trail use request must be accompanied by a \$150 filing fee. See 49 CFR 1002.2(f)(27).

All filings in response to this notice must refer to STB Docket No. AB-227 (Sub-No. 9X) and must be sent to: (1) Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, NW, Washington, DC 20423-0001; and (2) Christopher E.V. Quinn, Two Prudential Plaza, 45th Floor, 180 North Stetson Avenue, Chicago, IL 60601. Replies to the W&LE petition are due on or before August 10, 1999.

Persons seeking further information concerning abandonment procedures may contact the Board's Office of Public Services at (202) 565-1592 or refer to the full abandonment or discontinuance regulations at 49 CFR part 1152. Questions concerning environmental issues may be directed to the Board's Section of Environmental Analysis (SEA) at (202) 565-1545. [TDD for the hearing impaired is available at (202) 565-1695.]

An environmental assessment (EA) (or environmental impact statement (EIS), if necessary) prepared by SEA will be served upon all parties of record and upon any agencies or other persons who commented during its preparation.

Other interested persons may contact SEA to obtain a copy of the EA (or EIS). EAs in these abandonment proceedings normally will be made available within 60 days of the filing of the petition. The deadline for submission of comments on the EA will generally be within 30 days of its service.

Board decisions and notices are available on our website at "WWW.STB.DOT.GOV."

By the Board, David M. Konschnik,  
Director, Office of Proceedings.

Decided: July 14, 1999.

**Vernon A. Williams,**  
Secretary.

[FR Doc. 99-18505 Filed 7-20-99; 8:45 am]

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## DEPARTMENT OF THE TREASURY

### Customs Service

#### Modification of National Customs Automation Program Test Regarding Reconciliation

**AGENCY:** Customs Service, Treasury.

**ACTION:** General notice.

**SUMMARY:** On February 6, 1998 and August 18, 1998, general notice documents were published in the **Federal Register** regarding the Customs Automated Commercial System (ACS) Reconciliation Prototype test. These documents announced, explained, and modified the prototype test. This notice serves to notify interested parties of two additional modifications to the prototype. The first allows downward adjustments on Aggregate Reconciliations, subject to certain conditions, and the second authorizes the use of a midpoint interest calculation method for Aggregate Reconciliations. All other aspects of the prototype remain the same.

**EFFECTIVE DATES:** The prototype testing period started on October 1, 1998. It will run for approximately two years from that date and may be extended. Applications to participate in the prototype will be accepted throughout the duration of the prototype. The effective date for use of the downward adjustment reporting option for Aggregate Reconciliations is July 21, 1999. Prototype participants may use that option for Aggregate Reconciliations filed on or after that date. The effective date for use of the midpoint interest calculation method is July 25, 1999. Prototype participants will use that method for Aggregate Reconciliations filed on or after that date.

**ADDRESSES:** Written inquiries regarding participation in the prototype test should be addressed to Ms. Shari McCann, Reconciliation Team, U.S. Customs Service, 1300 Pennsylvania Ave. NW, Mailstop 5.2A, Washington, DC, 20229-0001.

**FOR FURTHER INFORMATION CONTACT:** Mr. Don Luther at (202) 927-0915 or Ms. Shari McCann at (202) 927-1106.

#### SUPPLEMENTARY INFORMATION:

#### Background

Reconciliation is the process which allows an importer, at the time of entry summary, to identify undeterminable information (other than that affecting admissibility) to Customs and provide that outstanding information at a later date. Reconciliation, a planned component of the National Customs Automation Program (NCAP), as provided for in Title VI (Subtitle B) of the North American Free Trade Agreement Implementation Act (the NAFTA Implementation Act; Pub. L. 103-182, 107 Stat. 2057 (December 8, 1993)), is currently being tested by Customs under the Customs Automated Commercial System (ACS) Prototype test.

Customs announced and explained the ACS Prototype test of reconciliation in a general notice document published in the **Federal Register** (63 FR 6257) on February 6, 1998. A notice published in the **Federal Register** (63 FR 44303) on August 18, 1998, announced clarifications and operational changes. This notice modifies the test by providing a downward adjustment option and a midpoint interest calculation method for Aggregate Reconciliations. Except for these particular modifications, all other aspects of the test remain the same.

The downward adjustment modification is an enhancement to the prototype test. The midpoint interest modification is authorized under the Miscellaneous Trade and Technical Corrections Act of 1999 (Pub. L. 106-36 (June 25, 1999)), which amended 19 U.S.C. 1505(c) (see section further below pertaining to the midpoint interest calculation method). Prototype participants should note that these modifications have different effective dates (see "Effective Dates" section) and both apply only to Aggregate Reconciliations. The Entry-by-Entry Reconciliation aspect of the prototype remains unchanged.

#### Aggregate Reconciliation for Decrease in Duties, Taxes, and Fees

As set forth in the **Federal Register** notice published on February 6, 1998

(63 FR 6257), there are two types of Reconciliations that may be filed:

(1) Entry-by-Entry Reconciliations, where adjustments for duties, taxes, and fees are shown for every entry being reconciled. Such Reconciliations may be used to report increases, decreases, or no change to the duties, taxes, and fees determined on the underlying entry summary (ies); and

(2) Aggregate Reconciliations for reporting absolute increases in duties, taxes, and fees, where reconciled adjustments are shown on an aggregate basis, rather than on an entry-by-entry basis.

The same **Federal Register** notice (63 FR 6257) described the term "absolute increase" to encompass only entry summaries that result in either an increase or no change in duties, taxes, and fees. Thus, prior to publication of this notice, only increases and no changes have been eligible for Aggregate Reconciliations.

In this notice, Customs announces an enhancement to the Aggregate Reconciliation option that has the effect of altering this limitation. Upon publication of this notice, participants in the prototype may now also use the Aggregate Reconciliation to report changes resulting in a decrease in duties, taxes, and fees (referred to as downward adjustments), provided that the participant waives any claim for a refund (of duties, taxes, and fees) and releases Customs from any such liability.

While upward and downward adjustments will be allowed on a single Aggregate Reconciliation, they will be reported in separate sections of the line

item data spreadsheet. Importers and other interested parties must be aware that the prohibition against netting remains in effect: decreases may NOT be netted against increases. For example, if a given product has two value issues, one resulting in an increase in value (and corresponding duties) and one resulting in a decrease in value (and corresponding duties), these two adjustments may not be offset against each other and reported as one line on the spreadsheet. They must be reported in separate sections of the spreadsheet, the increase adjustment as an increase for which additional duties will be tendered upon filing the Reconciliation and the downward adjustment as a decrease for which a refund is waived.

Downward adjustments, while reported on the spreadsheet, will not be reported on the Aggregate Reconciliation Header File in ACS. The Header File will be prepared without regard to decrease items, reflecting only increases in duties, taxes, and fees. In the event there are only decreases on the Aggregate Reconciliation, the Header File will be prepared as if the Reconciliation resulted in no change in duties, taxes, and fees.

Aggregate Reconciliations showing a decrease in duties, taxes, and fees will be liquidated as appropriate but without refund or reduction in duties, taxes, and fees otherwise due, since participants waive all claims for refunds due to downward adjustments.

The following certification must be included in the line item data spreadsheet of all Aggregate Reconciliations that report decreases. It contains the waiver, the release from

liability, and a pledge that the changes reported do not reflect netting:

The tariff items shown below are items for which the reconciliation adjustment resulted in a decrease in duties, taxes, and/or fees. On this Aggregate Reconciliation, we hereby declare these changes and acknowledge that we waive any claims for a refund of any monies due us as a result of these changes, release Customs of any liability for the refund, and certify that the changes shown below are not included elsewhere in the Reconciliation or netted against increases.

This certification must appear immediately before the listing of tariff items for which decreases are reported. It will separate the sections of the data spreadsheet, with absolute increases listed above and decreases listed below (see sample spreadsheet further below, showing increases, decreases, and the required certification).

The downward adjustment modification described above serves only to add another voluntary option for importers participating in the prototype test. It does not remove any other options. Importers wishing to obtain refunds for monies due them pursuant to reconciled information (downward adjustments that result in monies owed to the importer) may still do so via the Entry-by-Entry Reconciliation method.

#### Sample Spreadsheet

Below is an example of an Aggregate Reconciliation spreadsheet where increases and decreases are reported in separate sections. The downward adjustments are reported but not calculated in the Reconciliation Adjustment.

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DURANT MOTOR CORP. — RECONCILIATION DETAILS																
PERIOD: 10/1/1999 THRU 3/31/2000																
Rec.Line	Cal Year	Reason	Port	Origin	Original SPI	Rec. SPI	HTS	Original Quant.	Rec. Quant.	Original Value	Reconciled Value	Change in Value	Duty	Duty Change*	MPF	HMT
1	1999	Value		JP			4011101000			\$16,300,451	\$16,544,958	\$244,507	4.00%	\$9,780.28	\$513.46	\$305.63
2	2000	Value		JP			4011101000			\$5,751,916	\$5,838,195	\$86,279	4.00%	\$3,451.16	\$181.19	\$107.85
3	1999	Value		MX	MX	MX	5704900090			\$685,231	\$721,548	\$36,317	2.60%	\$944.24	\$61.74	\$0.00
4	2000	Value		MX	MX	MX	5704900090			\$623,966	\$657,036	\$33,070	2.60%	\$859.82	\$56.22	\$0.00
5	1999	Value		KR			7007110010			\$3,201,101	\$4,601,298	\$1,400,197	5.60%	\$78,411.03	\$2,940.41	\$1,750.25
6	2000	Value		KR			7007110010			\$2,604,538	\$3,015,562	\$411,024	5.60%	\$23,017.34	\$863.15	\$513.78
RECONCILIATION ADJUSTMENT														\$116,463.88	\$4,616.17	\$2,677.51
The tariff items shown below are items for which the reconciliation adjustment resulted in a decrease in duties, taxes and/or fees. On this Aggregate Reconciliation, we hereby declare these changes, and acknowledge that we waive any claims for a refund of any monies due us as a result of these changes, release Customs of any liability for the refund, and certify that the changes shown below are not included elsewhere in the Reconciliation or netted against increases.																
7	1999	Value		IT			8421905050			\$382,904	\$365,109	(\$17,795)				
8	2000	Value		TH			9018651021			\$104,926	\$99,423	(\$5,503)				

BILLING CODE 4820-02-C

### Midpoint Interest Calculation for Aggregate Reconciliations

Section 1505(c) of Title 19, United States Code, provides for the accrual of interest on underpayments and excess deposits applicable to ordinary entries and Reconciliations (19 U.S.C. 1505(c)). Under the statute, interest accrues for underpayments of duties, fees, and interest from the date the importer of record is required to deposit estimated duties, fees, and interest to the date of liquidation or reliquidation of the entry or Reconciliation. Interest accrues on excess deposits from the date the importer of record deposits estimated duties, fees, and interest to the date of liquidation or reliquidation of the entry or Reconciliation. Thus, under the prototype test, interest accrues on all Reconciliations where monetary adjustments take place, whether the adjustments are increases (Entry-by-Entry or Aggregate Reconciliations) or decreases (Entry-by-Entry Reconciliations) in duties, taxes, and fees. If interest is due to Customs, the filer will pay the interest, along with duties, taxes, and fees, upon filing the Reconciliation.

The previously mentioned **Federal Register** notice of August 18, 1998 (63 FR 44303) indicated that Customs was seeking a statutory amendment to 19

U.S.C. 1505(c) to authorize use of an alternative midpoint interest calculation method, an alternative to the entry-by-entry interest calculation method described in the previous paragraph. On June 25, 1999, the Miscellaneous Trade and Technical Corrections Act of 1999 was signed into law (the Act) (Pub. L. 106-36, 113 Stat. 127 (June 25, 1999)). Under section 2418(e) of the Act (Title II, Subtitle B), section 1505(c) was amended to authorize, for purposes of the prototype test, an alternative midpoint interest calculation method based upon aggregate data. This amendment predicates this modification of the prototype test.

Under the midpoint interest calculation method, interest is calculated on the entire amount of adjusted duties, taxes, and fees as if they had been due on the midpoint date of the period covered by the Reconciliation. For example, if an Aggregate Reconciliation covers January 1, 1999, through December 31, 1999, and results in \$20,000 in increased revenue due to Customs, the interest would be calculated on that amount from the midpoint date of July 1, 1999. Interest would accrue from the midpoint date until the date the Reconciliation is filed with payment. The midpoint interest method will be used for Aggregate Reconciliations filed on or

after July 25, 1999. Such Aggregate Reconciliations may cover underlying entries filed during the period from October 1, 1998, through October 1, 2000, or the end of the prototype, whichever occurs first.

Prototype participants are reminded that they have the option of filing either an Aggregate Reconciliation or an Entry-by-Entry Reconciliation. As above, the midpoint interest calculation method will be used for Aggregate Reconciliations, and the entry-by-entry interest calculation method will be used for Entry-by-Entry Reconciliations. Under the entry-by-entry method, interest is calculated based on the monetary changes and dates associated with each underlying entry summary.

Prototype participants also are reminded that where a refund is claimed (on Entry-by-Entry Reconciliations), no interest calculations are required of the filer. Customs will calculate the interest due on the refund using the entry-by-entry method of calculation. For NAFTA Reconciliations, interest runs from the date the Reconciliation is filed until the date the Reconciliation is liquidated by Customs.

### Conclusion

Regarding the prototype test generally, interested parties should

consult the **Federal Register** notices of February 6, 1998 (63 FR 6257) and August 18, 1998 (63 FR 44303). All terms and conditions set forth in those notices remain in effect, except as specifically modified by this notice.

Dated: July 16, 1999.

**Charles W. Winwood,**

*Assistant Commissioner, Office of Field Operations.*

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## DEPARTMENT OF THE TREASURY

### Customs Service

#### Quarterly IRS Interest Rates Used in Calculating Interest on Overdue Accounts and Refunds on Customs Duties

**AGENCY:** Customs Service, Treasury.

**ACTION:** General notice.

**SUMMARY:** This notice advises the public of the quarterly Internal Revenue Service interest rates used to calculate interest on overdue accounts (underpayments) and refunds (overpayments) of Customs duties. Due to recent legislation, the interest rate applicable to overpayments by corporations is now different than the interest rate for overpayments by non-corporations. For the quarter beginning July 1, 1999, the interest rates for

overpayments will be 7 percent for corporations and 8 percent for non-corporations, and the interest rate for underpayments will be 8 percent. This notice is published for the convenience of the importing public and Customs personnel.

**EFFECTIVE DATE:** July 1, 1999.

#### FOR FURTHER INFORMATION CONTACT:

Ronald Wyman, Accounting Services Division, Accounts Receivable Group, 6026 Lakeside Boulevard, Indianapolis, Indiana 46278, (317) 298-1200, extension 1349.

#### SUPPLEMENTARY INFORMATION:

##### Background

Pursuant to 19 U.S.C. 1505 and Treasury Decision 85-93, published in the **Federal Register** on May 29, 1985 (50 FR 21832), the interest rate paid on applicable overpayments or underpayments of Customs duties shall be in accordance with the Internal Revenue Code rate established under 26 U.S.C. 6621 and 6622. Section 6621 was recently amended (at paragraph (a)(1)(B) by the Internal Revenue Service Restructuring and Reform Act of 1998, Pub.L. 105-206, 112 Stat. 685) to provide different interest rates applicable to overpayments: one for corporations and one for non-corporations. The interest rate applicable to underpayments is not so bifurcated.

The interest rates are based on the short-term Federal rate and determined by the Internal Revenue Service (IRS) on behalf of the Secretary of the Treasury on a quarterly basis. The rates effective for a quarter are determined during the first-month period of the previous quarter.

In Revenue Ruling 99-27 (see, 1999-25 IRB 7, dated June 21, 1999), the IRS determined the rates of interest for the fourth quarter of fiscal year (FY) 1999 (the period of July 1—September 30, 1999). The interest rate paid to the Treasury for underpayments will be the short-term Federal rate (5%) plus three percentage points (3%) for a total of eight percent (8%). For corporate overpayments, the rate is the Federal short-term rate (5%) plus two percentage points (2%) for a total of seven percent (7%). For overpayments made by non-corporations, the rate is the Federal short-term rate (5%) plus three percentage points (3%) for a total of eight percent (8%). These interest rates are subject to change for the first quarter of FY-2000 (the period of October 1—December 31, 1999).

For the convenience of the importing public and Customs personnel the following list of Internal Revenue Service interest rates used, covering the period from before July of 1974 to date, to calculate interest on overdue accounts and refunds of Customs duties, is published in summary format.

Beginning date	Ending date	Under-payments (percent)	Over-payments (percent)	Corporate Overpayments (Eff. 1-1-99) (percent)
Prior to 070174 .....	063075	6	6	
070175 .....	013176	9	9	
020176 .....	013178	7	7	
020178 .....	013180	6	6	
020180 .....	013182	12	2	
020182 .....	123182	20	20	
010183 .....	063083	16	16	
070183 .....	123184	11	11	
010185 .....	063085	13	13	
070185 .....	123185	11	11	
010186 .....	063086	10	10	
070186 .....	123186	9	9	
010187 .....	093087	9	8	
100187 .....	123187	10	9	
010188 .....	033188	11	10	
040188 .....	093088	10	9	
100188 .....	033189	11	10	
040189 .....	093089	12	11	
100189 .....	033191	11	10	
040191 .....	123191	10	9	
010192 .....	033192	9	8	
040192 .....	093092	8	7	
100192 .....	063094	7	6	
070194 .....	093094	8	7	
100194 .....	033195	9	8	
040195 .....	063095	10	9	
070195 .....	033196	9	8	
040196 .....	063096	8	7	
070196 .....	033198	9	8	