

**§ 303.2 Definitions and forms.**

(a) \* \* \*

(13) *Creditable wages* means all wages, up to an amount equal to 65% of the contribution and benefit base for Social Security as defined in the Social Security Act for the year in which the wages were earned, paid to permanent residents of the territories employed in a firm's 91/5 watch and watch movement assembly operations, plus wages paid for the repair of non-91/5 watches up to an amount equal to 50% of the firm's total creditable wages, and for wages paid for the complete assembly of watches in the insular possession, with the exception of the movement, only in situations where the desired movement can not be purchased in an unassembled condition. \* \* \*

(14) *Non-91/5 watches and watch movements* include, but are not limited to, watches and movements which are liquidated as dutiable by the Bureau of Customs and Border Protection but do not include, for purposes of the duty refund, watches that are completely assembled in the insular possessions, with the exception of a desired movement if the movement cannot be purchased in an unassembled condition; contains any material which is the product of any country with respect to which Column 2 rates of duty apply; are ineligible for duty-free treatment pursuant to law or regulation; or are units the assembly of which the Departments have determined not to involve substantial and meaningful work in the territories (as elsewhere defined in these regulations).

\* \* \* \* \*

■ 5. Section 303.5(b)(6) is revised to read as set forth below.

**§ 303.5 Application for annual allocation of duty-exemptions.**

\* \* \* \* \*

(b) \* \* \*

(6) Records on purchases of components, including documentation on the purchase of any preassembled movements, which demonstrate that such movements could not have been purchased from the vendor in an unassembled condition, and records on the sales of insular watches and movements, including proof of payment; and"

\* \* \* \* \*

**James J. Jochum,**

*Acting Assistant Secretary for Import Administration, Department of Commerce.*

**Nikolao Pula,**

*Director, Office of Insular Affairs, Department of the Interior.*

[FR Doc. 03-24903 Filed 9-30-03; 8:45 am]

BILLING CODES 3510-DS-P and 4310-93-P

**DEPARTMENT OF THE TREASURY**

**Internal Revenue Service**

**26 CFR Part 1**

[TD 9080]

RIN 1545-BC47

**Reduction of Tax Attributes Due to Discharge of Indebtedness; Correction**

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

**ACTION:** Reduction of tax attributes due to discharge of indebtedness.

**SUMMARY:** This document contains corrections to temporary regulations that were published in the **Federal Register** on July 18, 2003 (68 FR 42590). These regulations relate to the reduction of tax attributes under sections 108 and 1017 of the Internal Revenue Code.

**EFFECTIVE DATE:** This correction is effective July 18, 2003.

**FOR FURTHER INFORMATION CONTACT:** Theresa M. Kolish (202) 622-7930 (not a toll-free number).

**SUPPLEMENTARY INFORMATION:**

**Background**

The temporary regulations that are the subject of these corrections are under sections 108 and 1017 of the Internal Revenue Code.

**Need for Correction**

As published, the temporary regulations (TD 9080) contain errors that may prove to be misleading and are in need of clarification.

**Correction of Publication**

■ Accordingly, the publication of the temporary regulations (TD 9080) which are the subject of FR Doc. 03-18145, is corrected as follows:

**§ 1.108-7T [Corrected]**

■ 1. On page 42592, column 3, § 1.108-7T, paragraph (a)(2), line 2 thru 7, the language "section 108(b)(5), however, to reduce first the basis of depreciable property to the extent of the excluded COD income. If the basis of depreciable property is insufficient to offset the entire amount of the excluded COD income, the" is corrected to read "section 108(b)(5), however, to apply any portion of the excluded COD income to reduce first the basis of depreciable property. To the extent the excluded COD income is not so applied, the".

■ 2. On page 42593, column 1, § 1.108-7T(d), paragraph (i) of *Example 3*, line 3, the language "trade debts of \$200,000 and a depreciable" is corrected to read "debts of \$200,000 and a depreciable".

■ 3. On page 42593, column 1, § 1.108-7T(d), paragraph (i) of *Example 3*, line 14, the language "trade creditors in exchange for release of" is corrected to read "creditors in exchange for release of".

■ 4. On page 42593, column 1, § 1.108-7T(d), paragraph (ii) of *Example 3*, line 19, the language "requirements of section 354(a)(1)(A) and (B)." is corrected to read "requirements of section 354(b)(1) (A) and (B).".

■ 5. On page 42593, column 1, § 1.108-7T(d), paragraph (ii) of *Example 3*, line 2, the language "to X's trade creditors, under section" is corrected to read "to X's creditors, under section".

■ 6. On page 42593, column 1, § 1.108-7T(d), paragraph (ii) of *Example 3*, line 7, the language "owed the trade creditors for \$100,000, the fair" is corrected to read "owed the creditors for \$100,000, the fair".

■ 7. On page 42593, column 2, § 1.108-7T(d), paragraph (ii) of *Example 4*, line 2, the language "distribution of Y stock to X's trade creditors," is corrected to read "distribution of Y stock to X's creditors,".

**Cynthia E. Grigsby,**

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

[FR Doc. 03-24912 Filed 9-30-03; 8:45 am]

BILLING CODE 4830-01-P

**DEPARTMENT OF COMMERCE**

**Patent and Trademark Office**

**37 CFR Part 2**

[Docket No. 2003-T-024]

RIN 0651-AB68

**Reorganization of Correspondence and Other General Provisions**

**AGENCY:** United States Patent and Trademark Office, Commerce.

**ACTION:** Final rule; correction.

**SUMMARY:** The United States Patent and Trademark Office ("Office") published in the **Federal Register** of August 13, 2003 (68 FR 48286), a final rule amending its rules to separate the provisions for patent matters and trademark matters with respect to filing correspondence, requesting copies of documents, payment of fees, and general information. This document corrects a typographical error in the final rule.

**EFFECTIVE DATE:** October 1, 2003.

**FOR FURTHER INFORMATION CONTACT:** Mary Hannon, Office of the

Commissioner for Trademarks, by telephone at (703) 308-8910, ext. 137; by e-mail to mary.hannon@uspto.gov; by facsimile transmission addressed to her at (703) 872-9280; or by mail marked to her attention and addressed to Commissioner for Trademarks, 2900 Crystal Drive, Arlington, Virginia 22202-3514.

**SUPPLEMENTARY INFORMATION:** The United States Patent and Trademark Office ("Office") published in the **Federal Register** of August 13, 2003 (68 FR 48286), a final rule amending its rules to separate the provisions for patent matters and trademark matters with respect to filing correspondence, requesting copies of documents, payment of fees, and general information. This document corrects a typographical error in the final rule.

In FR Doc. 03-20489, published on August 13, 2003 (68 FR 48286), make the following correction:

**§ 2.198 Filing of correspondence by "Express Mail."**

- 1. On page 48291, in the first column, in § 2.198, line 2, correct "(a)(1)(i) and (ii)" to read "(a)(1)(i) through (vii)."

Dated: September 24, 2003.

**Lynne G. Beresford,**

*Deputy Commissioner for Trademark Examination Policy.*

[FR Doc. 03-24812 Filed 9-30-03; 8:45 am]

**BILLING CODE 3510-16-P**

## POSTAL SERVICE

### 39 CFR Part 111

#### Indemnity Claims for Domestic Mail

**AGENCY:** Postal Service.

**ACTION:** Delay of effective date of final rule.

**SUMMARY:** The effective date of October 1, 2003, for changes to domestic indemnity claims regulations published in the **Federal Register** on September 2, 2003 (Vol. 68, No. 169, pages 52100-52104) is delayed until further notice. As a result, 39 CFR part 111 is not amended at this time.

**DATES:** This delay is effective upon publication.

**SUPPLEMENTARY INFORMATION:** The Postal Service will issue a further document regarding the effective date of these policy and procedure changes.

**Neva R. Watson,**

*Attorney, Legislative, Office of Legal Policy and Ratemaking Law.*

[FR Doc. 03-24915 Filed 9-30-03; 8:45 am]

**BILLING CODE 7710-12-P**

## POSTAL SERVICE

### 39 CFR Parts 224, 261 through 268

#### Release of Information and Records Management Changes

**AGENCY:** Postal Service.

**ACTION:** Final rule.

**SUMMARY:** The Postal Service revises organizational names and titles relating to the policies for the release of information and records management, and revises the fee structure relating to the furnishing of documents and records to members of the public under the Freedom of Information Act (FOIA). These revisions (1) Update organizational names and titles that changed as a result of agency restructuring, (2) reflect to whom the public should address issues relating to the release of information and records management, and (3) change the fee structure to permit the recovery of current costs incurred in the furnishing of records to the public.

**DATES:** This rule is effective September 30, 2003.

**FOR FURTHER INFORMATION CONTACT:** Robert Faruq at 202-268-2608.

#### SUPPLEMENTARY INFORMATION:

##### Background

On August 11, 2003, the Postal Service published a proposed rule in the **Federal Register** (68 FR 47527). In that notice, we proposed:

- Revising the organizational names and titles in the policies relating to releasing information and managing records.
- Revising the fee structure for furnishing documents and records to members of the public under the Freedom of Information Act (FOIA).

##### Discussion of Comments

The Postal Service received comments from one party regarding the proposed rule changes.

*Comments:* The party objected to fee increase amounts, the unification of the rate structure, and the change to half-hour assessments.

*Response:* The FOIA requires fees to be based upon direct operating costs of providing FOIA services, which recoup full allowable direct costs incurred. The Postal Service has not updated its FOIA fees since 1987, a period of 16 years. During that time, personnel costs have risen substantially.

The fee increases, along with the unification of the rate structure, are based on the weighted average salaries of employees responsible for providing FOIA services. The class of Postal

Service personnel providing FOIA services is Executive and Administrative Salary Schedule (EAS) employees, levels EAS 1 through EAS 26. The administrative/clerical and professional/executive categories did not work appropriately in an EAS environment. The levels and job duties performed can vary considerably, such as between Headquarters and field units, with some positions having both administrative and professional aspects. The rate structure for providing FOIA services was unified to appropriately align with Postal Service employee classifications. In addition, this will likely reduce the FOIA fees charged, because most personnel processing FOIAs are EAS positions that more typically would be classified as professional, and thus would assess fees at the higher category.

The use of half-hour increments to assess fees will be easier to implement administratively, and is consistent with other agencies' fee regulations. In addition, on average, FOIA fees should not increase, because charges will be to the nearest half hour, as opposed to being rounded upward. Fees for computer searches were updated to reflect current costs and current technology. Certain computer fees remain charged at 15-minute increments because it is less administratively burdensome to track those time increments for computer searches than for manual searches. Computer personnel fees may involve programming necessary to retrieve data in response to specific requests. Programming varies in degrees of technical complexity, and is reflected in separate fee categories.

#### Changes to References

After issuing the proposed rule, the Postal Service identified several incorrect references. We corrected those references in this final rule.

#### List of Subjects

39 CFR Part 224

Organization and functions (Government agencies).

39 CFR Parts 261, 262, and 263

Archives and records.

39 CFR Part 264

Archives and records, Security measures.

39 CFR Part 265

Administrative practice and procedure, Courts, Freedom of information, Government employees.