

337 of the Tariff Act of 1930, as amended. The provisions contained in 11 §§ 12.39(b)(2) and 113.74 of the Customs Regulations (19 CFR Chapter I) and § 210.50(d) of the U.S. International Trade Commission Regulations (19 CFR Chapter II) apply.

**Bond to Indemnify Complainant Under Section 337, Tariff Act of 1930, As Amended**

\_\_\_\_\_ as principal and \_\_\_\_\_ as surety, are held and bound to \_\_\_\_\_, as the complainant in U.S. International Trade Commission case/investigation number \_\_\_\_\_, of unfair practices or methods of competition in import trade in violation of section 337, Tariff Act of 1930, as amended, in the sum of \_\_\_\_\_ dollars (\$\_\_\_\_\_), for payment of which we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, by these conditions.

Pursuant to the provisions of section 337, Tariff Act of 1930, as amended, the principal and surety recognize that the Commission has, according to the conditions described in its order, excluded from, or authorized, entry into the United States of the following merchandise \_\_\_\_\_

\_\_\_\_\_ under entry number \_\_\_\_\_, dated \_\_\_\_\_.

The principal and surety recognize that the Commission has excluded that merchandise from entry until its investigation is completed, or until its decision that there is a violation of section 337 becomes final.

The principal and surety recognize that certain merchandise excluded from entry by the Commission was, or may be, offered for entry into the United States while the Commission's prohibition is in effect.

The principal and surety recognize that the principal desires to obtain a release of that merchandise pending a final determination of the merchandise's admissibility into the United States, as provided under section 337, and, for that purpose, the principal and surety execute this stipulation:

If it is determined, as provided in section 337 of the Tariff Act of 1930, as amended, to exclude that merchandise from the United States, then, on notification from the port director of Customs, the principal is obligated to export or destroy under Customs supervision the merchandise released under this stipulation within 30 days from the date of the port director's notification.

The principal and surety, jointly and severally, agree that if the principal defaults on that obligation, the principal and surety shall pay to the complainant an amount equal to the face value of the bond as may be demanded by him/her under the applicable law and regulations.

Witness our hands and seals this \_\_\_\_\_ day of \_\_\_\_\_ (month), \_\_\_\_\_ (year).

\_\_\_\_\_, (seal)

Principal

\_\_\_\_\_, (seal)

Surety

**PART 163—RECORDKEEPING**

1. The authority citation for part 163 continues to read as follows:

**Authority:** 5 U.S.C. 301; 19 U.S.C. 66, 1484, 1508, 1509, 1510, 1624.

2. In the appendix to part 163—Interim (a)(1)(A) List, under section “IV.,” the list of documents/records or information required for entry of special categories of merchandise is amended by adding the following new listing in the appropriate numerical order:

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**Part 113, Appendix B—Bond to Indemnify Complainant Under Section 337, Tariff Act of 1930, as Amended**

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**PART 178—APPROVAL OF INFORMATION COLLECTION REQUIREMENTS**

1. The authority citation for part 178 continues to read as follows:

**Authority:** 5 U.S.C. 301; 19 U.S.C. 1624; 44 U.S.C. 3501 *et seq.*

2. Section 178.2 is amended by adding a new listing to the table in numerical order to read as follows:

**§ 178.2 Listing of OMB control numbers.**

19 CFR section	Description	OMB control no.
* * * * *	* * * * *	* * * * *
Part 113—Appendix B .....	Bond to Indemnify Complainant Under Section 337, Tariff Act of 1930, as Amended.	1515-0222
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**Raymond W. Kelly,**  
*Commissioner of Customs.*  
Approved: December 7, 2000.  
**Timothy E. Skud,**  
*Acting Deputy Assistant Secretary of the Treasury.*  
[FR Doc. 00-31699 Filed 12-12-00; 8:45 am]  
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**DEPARTMENT OF THE TREASURY**

**Customs Service**

**19 CFR Parts 132 and 163**

**[T.D. 00—86]**

**RIN 1515-AC54**

**Export Certificates for Lamb Meat Subject to Tariff-Rate Quota**

**AGENCY:** Customs Service, Department of the Treasury.

**ACTION:** Final rule.

**SUMMARY:** This document adopts as a final rule, without change, the interim rule amending the Customs Regulations that was published in the **Federal Register** on December 2, 1999, as T.D. 99-87. The interim rule set forth the form and manner by which an importer establishes that a valid export certificate is in effect for certain fresh, chilled or frozen lamb meat that is the subject of a tariff-rate quota, and the product of a participating country, as defined in interim regulations of the United States Trade Representative (USTR). The export certificate enables the importer to claim the in-quota rate of duty on the lamb meat.

**EFFECTIVE DATE:** December 13, 2000.

**FOR FURTHER INFORMATION CONTACT:** Cynthia Porter, Office of Field Operations, (202-927-5399).

**SUPPLEMENTARY INFORMATION:**

**Background**

By Presidential Proclamation No. 7208 dated July 7, 1999, as modified by Presidential Proclamation No. 7214 of July 30, 1999, the President, acting under the authority of section 203 of the Trade Act of 1974 (19 U.S.C. 2253), established a tariff-rate quota with respect to certain fresh, chilled or frozen lamb meat exported to the United States on or after July 22, 1999.

Under a tariff-rate quota, the United States applies one tariff rate, known as the in-quota tariff rate, to imports of a product up to a particular amount, known as the in-quota quantity, and another, higher rate, known as the over-quota rate, to imports of a product in excess of the given amount. The preferential, in-quota tariff rate would be applicable only to the extent that the aggregate in-quota quantity of a product allocated to a country had not been exceeded.

It is noted that the tariff-rate quota on lamb meat was established in response to a determination by the U.S. International Trade Commission under section 202 of the Trade Act of 1974 (19 U.S.C. 2252) that lamb meat was being imported into the United States in such increased quantities as to substantially threaten serious injury to the domestic lamb meat industry. The tariff-rate quota is temporary in duration, being established for a period of three years and one day. It is intended to help facilitate efforts during this period by the domestic lamb meat industry to adjust to the increased import competition.

Specifically, the lamb meat covered by the tariff-rate quota consists of fresh, chilled or frozen lamb meat that is classified in subheading 0204.10.00, 0204.22.20, 0204.23.20, 0204.30.00, 0204.42.20, or 0204.43.20 of the Harmonized Tariff Schedule of the United States (HTSUS). In order to implement the tariff-rate quota for the described lamb meat, Presidential Proclamation No. 7208, as amended by Presidential Proclamation No. 7214, modified subchapter III of Chapter 99, HTSUS, so as to list the in-quota quantities of lamb meat allocated to those countries covered by the tariff-rate quota, together with the in-quota and over-quota rates of duty applicable to the lamb meat.

Under Presidential Proclamation No. 7214, the United States Trade Representative (USTR) was given authority to administer the tariff-rate quota on the imported lamb meat.

As part of the implementation of this tariff-rate quota, the USTR offered exporting countries that have an allocation of the in-quota quantity the opportunity to use export certificates for their lamb meat exports to the United States. While a country does not need to participate in the export-certificate program in order to receive the in-quota tariff rate for its share of the in-quota quantity, using export certificates assures an exporting country that only those exports that it intends for the United States market are counted against its in-quota allocation, and it helps ensure that such imports do not disrupt the orderly marketing of lamb meat in the United States.

The USTR issued an interim rule establishing regulations for this export-certificate program (15 CFR part 1014) (64 FR 56429; October 20, 1999). To this end, an exporting country wishing to participate in the export-certificate program must notify the USTR and provide the necessary supporting information. As defined in the USTR interim regulations (15 CFR 1014.2(c)),

a participating country is a country that has received an allocation of the in-quota quantity of the tariff-rate quota, and that the USTR has determined, and has so informed Customs, is eligible to use export certificates for their lamb meat products exported to the United States. The USTR has stated that it intends to publish a notice in the **Federal Register** whenever a country becomes, or ceases to be, a participating country. In this connection, Australia and New Zealand have already requested, and have been approved by USTR, to use export certificates for their lamb meat that is exported to the United States, as noted in the USTR interim rule.

Accordingly, by a document published in the **Federal Register** (64 FR 67481) on December 2, 1999, as T.D. 99-87, Customs issued an interim rule setting forth a new § 132.16, Customs Regulations (19 CFR 132.16), in order to implement the USTR interim rule. Section 132.16 prescribes the form and manner by which an importer establishes that a valid export certificate exists, including a unique number for the certificate that must be referenced on the entry or withdrawal from warehouse for consumption. This was intended to ensure that no imports of the specified lamb meat products of a participating country would be counted against the country's in-quota allocation unless the products were covered by a proper export certificate. The export certificate enables the importer to claim the in-quota rate of duty on the lamb meat.

In addition, the interim rule revised the Interim (a)(1)(A) list of records required for the entry of merchandise, that is set forth in an Appendix to part 163, Customs Regulations (19 CFR part 163, Appendix). As amended, the list made reference to the requirement in § 132.15, Customs Regulations (19 CFR 132.15) and in new § 132.16, Customs Regulations (19 CFR 132.16), that an importer possess a valid export certificate, respectively, for beef or lamb meat subject to a tariff-rate quota that is the product of a participating country, in order that the importer may claim the applicable in-quota rate of duty. The interim rule also made a technical correction to § 132.15, Customs Regulations.

#### Discussion of Comments

Two comments were received in response to the interim rule. Both were submitted by or on behalf of trade associations. One commenter unconditionally supported the interim rule. The other commenter supported the establishment of an export-

certificate program for lamb meat subject to the tariff-rate quota, but raised a question about how the applicable quota year under the export-certificate program was to be determined. The specific issue raised by this commenter, together with Customs response, is set forth below.

#### Comment

The commenter sought clarification as to whether the quota year under the export-certificate program was to be based on the date of entry or withdrawal for consumption, or on the date of exportation. The commenter asserted that the quota period for purposes of administering the tariff-rate quota for lamb meat should be based on the yearly period in which the lamb meat is entered or withdrawn for consumption, rather than on the yearly period in which the lamb meat is exported to the United States. The commenter requested that § 132.16 add a specific provision to this effect. The commenter believed that basing the quota period and the validity of the export certificate on the date of exportation, rather than on the date of entry or withdrawal for consumption, represented a departure from law as well as customary practice.

#### Customs Response

The administration of the tariff-rate quota for lamb meat was delegated to the USTR by Presidential Proclamation No. 7214 of July 30, 1999 (64 FR 42265; August 4, 1999). Thus, the determination of the quota year for purposes of the export-certificate program implementing this tariff-rate quota properly falls within the scope of USTR's authority. In adopting its interim rule as a final rule (65 FR 40049; June 29, 2000), the USTR has directly addressed the definition of the quota year in this matter.

Specifically, in accordance with 15 CFR 1014.2(g) of the USTR final rule, for purposes of applying the tariff-rate quota for lamb meat under the export-certificate program, the quota year is the yearly period in which the subject lamb meat is exported to the United States (from July 22, 1999 through July 21, 2000, inclusive; from July 22, 2000 through July 21, 2001, inclusive; and from July 22, 2001 through July 21, 2002, inclusive). This means that lamb meat covered by a valid export certificate would be entitled, upon entry or withdrawal for consumption, to the in-quota rate of duty that is in effect for the period within which the lamb meat is exported to the United States (15 CFR 1014.2(g), 1014.3(b)(2) and 1014.3(b)(4) of the USTR final rule).

For example, lamb meat subject to the export-certificate program that is exported on July 20, 2000, and entered for consumption on July 25, 2000, would be entitled to the in-quota rate of 9% ad valorem, if it is covered by a valid export certificate, because this is the in-quota rate in effect for the yearly (quota) period running from July 22, 1999, through July 21, 2000, inclusive, during which the product is exported to the United States.

It is noted that the USTR final rule in this case is governed by the Annex to Presidential Proclamation No. 7214 (64 FR 42265, at 42267) which plainly applies the tariff-rate quota for lamb meat based upon its date of exportation, as described above. To this effect, the Annex so modified subchapter III of chapter 99 of the Harmonized Tariff Schedule of the United States (HTSUS).

It is further noted that textile quotas, which are usually absolute in nature, are also similarly determined based upon the date of export, as opposed to the date of entry or withdrawal for consumption.

### Conclusion

For these reasons, and after careful consideration of the comment and further review of the matter, Customs concludes that the amendments regarding parts 132 and 163, Customs Regulations (19 CFR parts 132 and 163) that appeared in the interim rule published in the **Federal Register** (64 FR 67481) on December 2, 1999, as T.D. 99-87, should be adopted as a final rule without change.

### Inapplicability of Notice and Delayed Effective Date Requirements, the Regulatory Flexibility Act, and Executive Order 12866

Pursuant to the provisions of 5 U.S.C. 553(a), public notice is inapplicable to this final rule because it is within the foreign affairs function of the United States. Also, for the above reason, there is no need for a delayed effective date under 5 U.S.C. 553(d). Because this document is not subject to the requirements of 5 U.S.C. 553, as noted, the provisions of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) do not apply; and because this document involves a foreign affairs function of the United States, it is not subject to the provisions of E.O. 12866.

### Paperwork Reduction Act

The collections of information involved in this final rule have already been approved by the Office of Management and Budget (OMB) in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507

and assigned OMB Control Numbers 1515-0065 (Entry summary and continuation sheet) and 1515-0214 (General recordkeeping and record production requirements). This rule does not substantively change the existing approved information collections.

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

### List of Subjects

#### 19 CFR Part 132

Agriculture and agricultural products, Customs duties and inspection, Quotas, Reporting and recordkeeping requirements.

#### 19 CFR Part 163

Administrative practice and procedure, Customs duties and inspection, Imports, Reporting and recordkeeping requirements.

### Amendments to the Regulations

Accordingly, the amendments relating to parts 132 and 163 that appeared in the interim rule that was published at 64 FR 67481 on December 2, 1999, are adopted as a final rule without change.

**Raymond W. Kelly,**

*Commissioner of Customs.*

Approved: October 6, 2000.

**John P. Simpson,**

*Deputy Assistant Secretary of the Treasury.*

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## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### 26 CFR Parts 31 and 602

[TD 8910]

RIN 1545-AV28

### Electronic Tip Reports

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

**ACTION:** Final regulations.

**SUMMARY:** This document amends the regulations dealing with the requirement that tipped employees report their tips to their employer. These final regulations permit employers to establish electronic systems for use by their tipped employees in reporting tips to the employer. These final regulations also address substantiation requirements for employees using the electronic system.

**DATES:** *Effective Date:* These regulations are effective December 13, 2000.

*Applicability Dates:* For dates of applicability, see § 31.6053-1(d)(6) of these regulations.

### FOR FURTHER INFORMATION CONTACT:

Karin Loverud at 202-622-6080 (not a toll-free number).

### SUPPLEMENTARY INFORMATION:

#### Paperwork Reduction Act

The collection of information contained in these final regulations has been reviewed and approved by the Office of Management and Budget in accordance with the Paperwork Reduction Act (44 U.S.C. 3507) under control number 1545-1603. Responses to this collection of information are mandatory.

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

The estimated annual burden per respondent varies from 1 hour to 3 hours, depending on individual circumstances, with an estimated average of 2 hours.

Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be sent to the Internal Revenue Service, Attn: IRS Reports Clearance Officer, W:CAR:MP:FP, Washington, DC 20224, and to the Office of Management and Budget, Attn: Desk Officer for the Department of the Treasury, Office of Information and Regulatory Affairs, Washington, DC 20503.

Books or records relating to this collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

### Background

On January 26, 1998, the IRS published in the **Federal Register** (63 FR 3681) a notice of proposed rulemaking (REG-104691-97) under section 6053 of the Internal Revenue Code relating to electronic tip reports. The notice proposed to amend § 31.6053-1 and § 31.6053-4 of the employment tax regulations.

No written comments responding to the notice of proposed rulemaking were received. No public hearing was requested or held. Accordingly, the proposed regulations are adopted as final regulations.