

accordance with a method approved by the Manager, International Branch, ANM-116; or the CAA (or its delegated agent). No further inspection of any repaired area is required by this AD.

No Reporting Requirement

(g) Although the referenced service bulletin specifies to submit Appendix 1 of the service bulletin with certain information to the manufacturer, this AD does not require that action.

Alternative Methods of Compliance (AMOCs)

(h) The Manager, ANM-116, FAA, has the authority to approve AMOCs for this AD, if requested in accordance with the procedures found in 14 CFR 39.19.

Related Information

(i) None.

Issued in Renton, Washington, on July 19, 2004.

Kalene C. Yanamura,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 04-16917 Filed 7-23-04; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

25 CFR Parts 30, 37, 39, 42, 44, and 47

RIN 1076-AE49

Implementation of the No Child Left Behind Act of 2001

AGENCY: Bureau of Indian Affairs, Interior.

ACTION: Proposed rule; reopening of comment period; correction.

SUMMARY: This document corrects the heading of a document that reopened the comment period for a proposed rule published in the **Federal Register** of Wednesday, July 21, 2004, at 69 FR 43547. This document corrects the title to read as set forth above.

FOR FURTHER INFORMATION CONTACT: Catherine Freels, Designated Federal Official, P.O. Box 1430, Albuquerque, NM 87103-1430; phone: (505) 248-7240; e-mail: cfreels@bia.edu.

Correction

The document published Wednesday July 21, 2004, was incorrectly titled, "Home-living Programs and School Closure and Consolidation." The title is corrected to read "Implementation of the No Child Left Behind Act of 2001".

Dated: July 21, 2004.

Theresa Rosier,

Counselor to the Assistant Secretary—Indian Affairs.

[FR Doc. 04-17071 Filed 7-23-04; 8:45 am]

BILLING CODE 4310-6W-P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 25

[REG-163679-02]

RIN 1545-BB72

Qualified Interests

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking and notice of public hearing.

SUMMARY: These proposed regulations amend the regulations under the gift tax special valuation rules to provide that a unitrust amount or annuity payable for a specified term of years to the grantor, or to the grantor's estate if the grantor dies prior to the expiration of the term, is a qualified interest for the specified term. The proposed regulations also clarify that the exception treating a spouse's revocable successor interest as a retained qualified interest applies only if the spouse's annuity or unitrust interest, standing alone, would constitute a qualified interest that meets the requirements of § 25.2702-3(d)(3), but for the grantor's revocation power. This document also provides a notice of a public hearing on these proposed regulations.

DATES: Written and electronic comments must be received by October 21, 2004. Outlines of topics to be discussed at the public hearing scheduled for October 28, 2004, must be received by October 7, 2004.

ADDRESSES: Send submissions to: CC:PA:LPD:PR (REG-163679-02), room 5203, Internal Revenue Service, P.O. 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-163679-02), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue, NW., Washington, DC. Alternatively, taxpayers may submit electronic comments directly to the IRS Internet site at <http://www.irs.gov/regs> or via the Federal eRulemaking Portal at <http://www.regulations.gov> (indicate IRS and REG-163679-02). The public hearing will be held in the auditorium, Internal

Revenue Building, 1111 Constitution Avenue, NW., Washington, DC.

FOR FURTHER INFORMATION CONTACT:

Concerning the proposed regulations, Juli Ro Kim, (202) 622-3090; concerning submissions of comments, the hearing, and/or to be placed on the building access list to attend the hearing, Guy Traynor, (202) 622-7180 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:

Background

Section 2702 provides special rules for valuing gifts in trust when the donor or an applicable family member retains an interest in the trust. If the retained interest is not a qualified interest, the retained interest is valued at zero, and the amount of the gift is the entire value of the transferred property. If the retained interest is a qualified interest, the retained interest is valued under section 7520 using prescribed actuarial tables and interest rates, and the amount of the gift is the value of the transferred property reduced by the value of the retained interest. Under section 2702(b), a qualified interest is: (1) An interest that consists of a right to receive fixed amounts payable not less frequently than annually (a qualified annuity interest); (2) an interest that consists of a right to receive amounts that are payable at least annually and are a fixed percentage of the net fair market value of the trust assets determined annually (a qualified unitrust interest); and (3) a right to receive a noncontingent remainder interest if all other interests in the trust are qualified annuity or unitrust interests (a qualified remainder interest). Under § 25.2702-3(d)(3) of the Gift Tax Regulations, the qualified annuity or unitrust interest must be payable, "for the life of the term holder, for a specified term of years, or for the shorter (but not longer) of those periods." Under § 25.2702-2(a)(5) the retention of a power to revoke a qualified annuity interest (or unitrust interest) of the transferor's spouse is treated as the retention of a qualified annuity interest (or unitrust interest).

These qualified interest requirements were the subject of litigation in two cases (described more fully below) before the United States Tax Court and, on appeal in one case, the Ninth Circuit Court of Appeals. These proposed regulations are being issued to clarify the existing regulations with respect to the issues raised in the cases and to revise an example in the regulations that the Tax Court held to be invalid.