

Item 11 and 12 designations. We will issue a statement and post it on the Commission's Web site to announce this date as soon as it becomes known.

By the Commission.

Dated: March 27, 2003.

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 03-7841 Filed 4-1-03; 8:45 am]

BILLING CODE 8010-01-P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Parts 1 and 602

[TD 9034]

RIN 1545-AW65

Education Tax Credit; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correction to final regulations.

SUMMARY: This document contains corrections to final regulations that were published in the **Federal Register** on Thursday, December 26, 2002 (67 FR 78687), relating to the education tax credit.

DATES: This correction is effective December 26, 2002.

FOR FURTHER INFORMATION CONTACT: Marilyn E. Brookens (202) 622-4920 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

The final regulations that are the subject of these corrections are under section 25A of the Internal Revenue Code.

Need for Correction

As published, the final regulations contain errors that may prove to be misleading and are in need of clarification.

Correction of Publication

Accordingly, the publication of the final regulations (TD 9034), that were the subject of FR Doc. 02-32453, is corrected as follows:

§ 1.25A-3 [Corrected]

■ 1. On Page 78694, Column 2, § 1.25A-3(d)(2), *Example 4.*, line 1, the language "Prior to 1998, Student was not" is corrected to read "Prior to 1998, Student C was not".

§ 1.25A-5 [Corrected]

■ 2. On page 78696, Column 2, § 1.25A-5(c)(4), *Example 1.*, line 2, the language

"A, who lives on X's campus, \$3,000 for" is corrected to read "A, who lives on University X's campus, \$3,000 for".

Cynthia E. Grigsby,

Chief, Regulations Unit, Associate Chief Counsel, (Procedure & Administration).

[FR Doc. 03-7732 Filed 4-1-03; 8:45 am]

BILLING CODE 4830-01-M

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Parts 40, 48, and 49

[TD 9051]

RIN 1545-AX97

Diesel Fuel; Blended Taxable Fuel

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final regulations.

SUMMARY: This document contains final regulations relating to the tax on diesel fuel and the tax on blended taxable fuel. This document also makes clerical and clarifying changes to other excise tax regulations. These regulations affect persons that remove, enter, or sell diesel fuel or remove or sell blended taxable fuel.

DATES: *Effective Date:* These regulations are effective April 2, 2003.

Applicability Date: For date of applicability, see § 48.4081-3(g)(2)(ii).

FOR FURTHER INFORMATION CONTACT: Frank Boland, (202) 622-3130 (not a toll-free call).

SUPPLEMENTARY INFORMATION:

Background

This document contains amendments to the Manufacturers and Retailers Excise Tax Regulations (26 CFR part 48) relating to the definition of diesel fuel, the definition of refinery, and the application of the tax on blended taxable fuel.

On May 16, 2002, a notice of proposed rulemaking (REG-106457-00) was published in the **Federal Register** (67 FR 34882). Written comments were received but no public hearing was requested or held. After consideration of all the comments, the proposed regulations are adopted as revised by this Treasury decision.

Explanation of Provisions

Definition of Diesel Fuel

Existing regulations generally define diesel fuel as any liquid that, without further processing or blending, is suitable for use as a fuel in a diesel-powered highway vehicle or diesel-

powered train. The proposed regulations would add to existing regulations by providing that a liquid is suitable for use as diesel fuel if the liquid has practical and commercial fitness for use in the propulsion engine of a diesel-powered highway vehicle or diesel-powered train.

One commentator suggested that the final regulations should provide that a liquid does not possess practical and commercial fitness solely by reason of its possible or rare use as a fuel in a vehicle or train. The final regulations adopt this suggestion. The final regulations also provide that a liquid may possess practical and commercial fitness even though the liquid is not predominantly used as a fuel in a vehicle or train.

The commentator also suggested that the final regulations should describe *practical and commercial fitness* in a manner similar to the description of the term in § 145.4051-1(a)(4) of the temporary regulations relating to the tax on the retail sale of certain heavy vehicles. The final regulations do not adopt this suggestion because Treasury and the IRS believe that such detail is not required to determine the classification of most liquids.

Definition of Refinery

Under existing regulations, refinery generally means a facility used to produce taxable fuel from crude oil, unfinished oils, natural gas liquids, or other hydrocarbons and from which taxable fuel may be removed by pipeline, by vessel, or at a rack. The proposed regulations would remove from the definition the references to the source of materials used to produce taxable fuel.

Taxable fuel includes finished gasoline and certain gasoline blendstocks. One commentator indicated that because gas processing plants and chemical plants produce small amounts of gasoline blendstocks, the plants would be considered refineries under the proposed definition. Thus, the commentator suggested, refinery should exclude gas processing plants and chemical plants that mainly produce products other than taxable fuel.

In fact, however, the gas processing plants and chemical plants described by the commentator are refineries under existing regulations. A facility does not lose its status as a refinery simply because it produces only small amounts of gasoline blendstocks. Thus, the final regulations do not adopt the commentator's suggestion.