

Proposed Rules

Federal Register

Vol. 87, No. 249

Thursday, December 29, 2022

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Docket No. FAA-2022-1436; Airspace Docket No. 22-ACE-13]

RIN 2120-AA66

Proposed Amendment of VOR Federal Airways V-50, V-52, V-63, and V-586, and Revocation of V-582 in the Vicinity of Quincy, IL

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This action proposes to amend VHF Omnidirectional Range (VOR) Federal airways V-50, V-52, V-63, and V-586, and revoke VOR Federal airway V-582. The FAA is proposing this action due to the planned decommissioning of the VOR portion of the Quincy, IL (UIN), VOR/Tactical Air Navigation (VORTAC) navigational aid (NAVAID). The Quincy VOR is being decommissioned in support of the FAA's VOR Minimum Operational Network (MON) program.

DATES: Comments must be received on or before February 13, 2023.

ADDRESSES: Send comments on this proposal to the U.S. Department of Transportation, Docket Operations, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12-140, Washington, DC 20590; telephone: 1(800) 647-5527, or (202) 366-9826. You must identify FAA Docket No. FAA-2022-1436; Airspace Docket No. 22-ACE-13 at the beginning of your comments. You may also submit comments through the internet at www.regulations.gov.

FAA Order JO 7400.11G, Airspace Designations and Reporting Points, and subsequent amendments can be viewed online at www.faa.gov/air_traffic/publications/. For further information, you can contact the Rules and Regulations Group, Federal Aviation

Administration, 800 Independence Avenue SW, Washington, DC 20591; telephone: (202) 267-8783.

FOR FURTHER INFORMATION CONTACT: Colby Abbott, Rules and Regulations Group, Office of Policy, Federal Aviation Administration, 800 Independence Avenue SW, Washington, DC 20591; telephone: (202) 267-8783.

SUPPLEMENTARY INFORMATION:

Authority for This Rulemaking

The FAA's authority to issue rules regarding aviation safety is found in Title 49 of the United States Code. Subtitle I, Section 106 describes the authority of the FAA Administrator. Subtitle VII, Aviation Programs, describes in more detail the scope of the agency's authority. This rulemaking is promulgated under the authority described in Subtitle VII, Part A, Subpart I, Section 40103. Under that section, the FAA is charged with prescribing regulations to assign the use of the airspace necessary to ensure the safety of aircraft and the efficient use of airspace. This regulation is within the scope of that authority as it would modify the Air Traffic Service (ATS) route structure as necessary to preserve the safe and efficient flow of air traffic within the National Airspace System.

Comments Invited

Interested parties are invited to participate in this proposed rulemaking by submitting such written data, views, or arguments as they may desire. Comments that provide the factual basis supporting the views and suggestions presented are particularly helpful in developing reasoned regulatory decisions on the proposal. Comments are specifically invited on the overall regulatory, aeronautical, economic, environmental, and energy-related aspects of the proposal.

Communications should identify both docket numbers (FAA Docket No. FAA-2022-1436; Airspace Docket No. 22-ACE-13) and be submitted in triplicate to the Docket Management Facility (see **ADDRESSES** section for address and phone number). You may also submit comments through the internet at www.regulations.gov.

Commenters wishing the FAA to acknowledge receipt of their comments on this action must submit with those comments a self-addressed, stamped postcard on which the following

statement is made: "Comments to FAA Docket No. FAA-2022-1436; Airspace Docket No. 22-ACE-13." The postcard will be date/time stamped and returned to the commenter.

All communications received on or before the specified comment closing date will be considered before taking action on the proposed rule. The proposal contained in this action may be changed in light of comments received. All comments submitted will be available for examination in the public docket both before and after the comment closing date. A report summarizing each substantive public contact with FAA personnel concerned with this rulemaking will be filed in the docket.

Availability of NPRMs

An electronic copy of this document may be downloaded through the internet at www.regulations.gov. Recently published rulemaking documents can also be accessed through the FAA's web page at www.faa.gov/air_traffic/publications/airspace_amendments/.

You may review the public docket containing the proposal, any comments received and any final disposition in person in the Dockets Office (see **ADDRESSES** section for address and phone number) between 9:00 a.m. and 5:00 p.m., Monday through Friday, except Federal holidays. An informal docket may also be examined during normal business hours at the office of the Operations Support Group, Central Service Center, Federal Aviation Administration, 10101 Hillwood Parkway, Fort Worth, TX 76177.

Availability and Summary of Documents for Incorporation by Reference

This document proposes to amend FAA Order JO 7400.11G, Airspace Designations and Reporting Points, dated August 19, 2022, and effective September 15, 2022. FAA Order JO 7400.11G is publicly available as listed in the **ADDRESSES** section of this document. FAA Order JO 7400.11G lists Class A, B, C, D, and E airspace areas, air traffic service routes, and reporting points.

Background

The FAA is planning to decommission the VOR portion of the Quincy, IL, VORTAC in June 2023. The

Quincy VOR was one of the candidate VORs identified for discontinuance by the FAA's VOR MON program and listed in the Final policy statement notice, "Provision of Navigation Services for the Next Generation Air Transportation System (NextGen) Transition to Performance-Based Navigation (PBN) (Plan for Establishing a VOR Minimum Operational Network)," published in the **Federal Register** of July 26, 2016 (81 FR 48694), Docket No. FAA-2011-1082.

Although the VOR portion of the Quincy, IL, VORTAC is planned for decommissioning, the co-located DME portion of the NAVAID is being retained to support NextGen PBN flight procedure requirements.

The VOR Federal airways effected by the Quincy VOR decommissioning are VOR Federal airways V-50, V-52, V-63, V-582, and V-586. With the planned decommissioning of the Quincy VOR, the remaining ground-based NAVAID coverage in the area is insufficient to enable the continuity of the affected airways. As such, proposed modifications to the affected VOR Federal airways would result in creating gaps in three of the airways (V-50, V-52, and V-63), redefining an airway end point in one of the airways (V-586), and revoking one of the airways (V-582).

To overcome the proposed modifications to the affected airways, instrument flight rules (IFR) traffic could use portions of VOR Federal airways V-4, V-9, V-10, V-67, and V-580 or request air traffic control (ATC) radar vectors to circumnavigate or fly through the affected area. Additionally, pilots equipped with Area Navigation (RNAV) capabilities could also use portions of RNAV routes T-251, T-272, and T-397 or navigate point to point using the existing NAVAIDs and fixes that would remain in place to support continued operations though the affected area. Visual flight rules (VFR) pilots who elect to navigate via the affected VOR Federal airways could also take advantage of the adjacent airways or ATC services listed previously.

The Proposal

The FAA is proposing an amendment to 14 CFR part 71 to amend VOR Federal airways V-50, V-52, V-63, and V-586, and revoke VOR Federal airway V-582 due to the planned decommissioning of the VOR portion of the Quincy, IL, VORTAC. The proposed airway actions are described below.

V-50: V-50 currently extends between the St Joseph, MO, VORTAC and the Dayton, OH, VOR/Distance Measuring Equipment (VOR/DME). The FAA proposes to remove the airway

segment overlying the Quincy VORTAC between the Kirksville, MO, VORTAC and the Spinner, IL, VORTAC. As amended, the airway would extend between the St Joseph VORTAC and the Kirksville VORTAC and between the Spinner VORTAC and the Dayton VOR/DME.

V-52: V-52 currently extends between the Des Moines, IA, VORTAC and the Pocket City, IN, VORTAC. The FAA proposes to remove the airway segment overlying the Quincy VORTAC between the Ottumwa, IA, VOR/DME and the St Louis, MO, VORTAC. As amended, the airway would extend between the Des Moines VORTAC and the Ottumwa VOR/DME and between the St Louis VORTAC and the Pocket City VORTAC.

V-63: V-63 currently extends between the Razorback, AR, VORTAC and the Davenport, IA, VORTAC; between the Janesville, WI, VOR/DME and the Oshkosh, WI, VORTAC; and between the Rhinelander, WI, VOR/DME and the Houghton, MI, VOR/DME. The airspace at and above 10,000 feet mean sea level (MSL) from 5 nautical miles (NM) north to 46 NM north of Quincy, IL, is excluded when the Howard West Military Operations Area (MOA) is active. The FAA proposes to remove the airway segment overlying the Quincy VORTAC between the Hallsville, MO, VORTAC and the Burlington, IL, VOR/DME. The airspace exclusion language addressing the Howard West MOA activations would also be removed as the amended airway would no longer overlap the Howard West MOA. As amended, the airway would extend between the Razorback VORTAC and the Hallsville VORTAC, between the Burlington VOR/DME and the Davenport VORTAC, between the Janesville VOR/DME and the Oshkosh VORTAC, and between the Rhinelander VOR/DME and the Houghton VOR/DME.

V-582: V-582 currently extends between the St. Louis, MO, VORTAC and the Quincy, IL, VORTAC. The FAA proposes to remove the airway in its entirety.

V-586: V-586 currently extends between the Quincy, IL, VORTAC and the Joliet, IL, VOR/DME. The FAA proposes to remove the airway segment overlying the Quincy VORTAC between the Quincy, IL, VORTAC and the Peoria, IL, VORTAC. As amended, the airway would extend between the Peoria VORTAC and the Joliet VOR/DME.

The NAVAID radials listed in the VOR Federal airway V-52 description below are unchanged and stated in True degrees.

VOR Federal airways are published in paragraph 6010(a) of FAA Order JO 7400.11G, dated August 19, 2022, and effective September 15, 2022, which is incorporated by reference in 14 CFR 71.1. The ATS routes listed in this document would be published subsequently in FAA Order JO 7400.11.

FAA Order JO 7400.11, Airspace Designations and Reporting Points, is published yearly and effective on September 15.

Regulatory Notices and Analyses

The FAA has determined that this proposed regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore: (1) is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under Department of Transportation (DOT) Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this proposed rule, when promulgated, will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

Environmental Review

This proposal will be subject to an environmental analysis in accordance with FAA Order 1050.1F, "Environmental Impacts: Policies and Procedures," prior to any FAA final regulatory action.

List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

The Proposed Amendment

In consideration of the foregoing, the Federal Aviation Administration proposes to amend 14 CFR part 71 as follows:

PART 71—DESIGNATION OF CLASS A, B, C, D, AND E AIRSPACE AREAS; AIR TRAFFIC SERVICE ROUTES; AND REPORTING POINTS

- 1. The authority citation for part 71 continues to read as follows:

Authority: 49 U.S.C. 106(f), 106(g); 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR, 1959–1963 Comp., p. 389.

§ 71.1 [Amended]

- 2. The incorporation by reference in 14 CFR 71.1 of FAA Order JO 7400.11G,

Airspace Designations and Reporting Points, dated August 19, 2022, and effective September 15, 2022, is amended as follows:

Paragraph 6010(a) Domestic VOR Federal Airways.

* * * * *

V-50 [Amended]

From St Joseph, MO; to Kirksville, MO.
From Spinner, IL; Adders, IL; Terre Haute, IN; Brickyard, IN; to Dayton, OH.

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V-52 [Amended]

From Des Moines, IA; to Ottumwa, IA.
From St Louis, MO; Troy, IL; INT Troy 099° and Pocket City, IN, 311° radials; to Pocket City.

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V-63 [Amended]

From Razorback, AR; Springfield, MO; to Hallsville, MO. From Burlington, IA; Moline, IL; to Davenport, IA. From Janesville, WI; Badger, WI; to Oshkosh, WI. From Rhinelander, WI; to Houghton, MI.

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V-582 [Removed]

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V-586 [Amended]

From Peoria, IL; Pontiac, IL; to Joliet, IL.

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Issued in Washington, DC, on December 23, 2022.

Scott M. Rosenbloom,

Manager, Airspace Rules and Regulations.

[FR Doc. 2022-28328 Filed 12-28-22; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[REG-100442-22]

RIN 1545-BQ36

Guidance on the Foreign Government Income Exemption and the Definition of Domestically Controlled Qualified Investment Entities

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: This document contains proposed regulations regarding the treatment of certain entities, including qualified foreign pension funds, for purposes of the exemption from taxation afforded to foreign governments (the “proposed regulations”). The proposed regulations also address the determination of whether a qualified

investment entity is domestically controlled, including the treatment of qualified foreign pension funds for this purpose.

DATES: Written or electronic comments and requests for a public hearing must be received by February 27, 2023.

ADDRESSES: Commenters are strongly encouraged to submit public comments electronically. Submit electronic submissions via the Federal eRulemaking Portal at www.regulations.gov (indicate IRS and REG-100442-22) by following the online instructions for submitting comments. Once submitted to the Federal eRulemaking Portal, comments cannot be edited or withdrawn. The Department of the Treasury and the IRS will publish for public availability any comments submitted electronically and comments submitted on paper to its public docket. Send hard copy submissions to: CC:PA:LPD:PR (REG-100442-22), Room 5203, Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044.

FOR FURTHER INFORMATION CONTACT:

Concerning § 1.892-5, Joel Deuth at (202) 317-6938; concerning § 1.897-1, Arielle Borsos at (202) 317-6937; concerning submissions of comments or requests for a public hearing, Regina Johnson at (202) 317-5177 (not toll-free numbers) or publichearings@irs.gov.

SUPPLEMENTARY INFORMATION:

Background

I. Section 892

Section 892(a)(1) of the Internal Revenue Code (the “Code”) exempts from U.S. taxation certain income derived by a foreign government. This exemption, however, does not apply to income that is (1) derived from the conduct of a commercial activity (whether within or outside the United States), (2) received by a controlled commercial entity or received (directly or indirectly) from a controlled commercial entity, or (3) derived from the disposition of an interest in a controlled commercial entity. Section 892(a)(2)(A).

Section 892(a)(2)(B) provides that for purposes of section 892(a)(2)(A), a controlled commercial entity is any entity engaged in commercial activities (whether within or outside the United States) and in which a foreign government holds (directly or indirectly) interests according to specified thresholds. The term “entity” in section 892(a)(2)(B) means a corporation, a partnership, a trust, and an estate. *See* § 1.892-5(a)(3).

A United States real property holding corporation (“USRPHC”), as defined in section 897(c)(2), or a foreign corporation that would be a USRPHC if it was a United States corporation, is treated as engaged in commercial activity and, therefore, is a controlled commercial entity if a foreign government meets certain ownership or control thresholds with respect to that USRPHC or foreign corporation. § 1.892-5T(b)(1).

II. Section 897

Section 897(a)(1) provides that gain or loss of a nonresident alien individual or foreign corporation from the disposition of a United States real property interest (“USRPI”) is taken into account under section 871(b)(1) or 882(a)(1), as applicable, as if the nonresident alien individual or foreign corporation were engaged in a trade or business within the United States during the taxable year and such gain or loss were effectively connected with that trade or business.

Subject to certain exceptions, section 897(c)(1)(A) defines a USRPI as an interest in real property (including an interest in a mine, well, or other natural deposit) located in the United States or the Virgin Islands, and any interest (other than solely as a creditor) in any domestic corporation unless the taxpayer establishes that such corporation was at no time a USRPHC during the period set forth in section 897(c)(1)(A)(ii) (generally, the five-year period ending on the date of the disposition of the interest). Under section 897(c)(2), a USRPHC is generally any corporation if the fair market value of its USRPIs equals or exceeds 50 percent of the aggregate fair market value of its USRPIs, its interests in real property located outside the United States, plus any other of its assets that are used or held for use in a trade or business.

Section 897(h)(1) provides that any distribution by a qualified investment entity (“QIE”) to a nonresident alien individual, a foreign corporation, or other QIE, to the extent attributable to gain from sales or exchanges by the QIE of USRPIs, is treated as gain recognized by such nonresident alien individual, foreign corporation, or other QIE from the sale or exchange of a USRPI, subject to certain exceptions. Section 897(h)(4)(A) defines a QIE as any (i) real estate investment trust (“REIT”), and (ii) any regulated investment company (“RIC”) which is a USRPHC or which would be a USRPHC if the exceptions in section 897(c)(3) and 897(h)(2) did not apply to interests in any REIT or RIC.