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 7400.9Z, Airspace Designations and Reporting Points, dated August 6, 2015, effective September 15, 2015, is amended as follows:

Paragraph 6002 Class E Airspace designated as surface areas.

* * * * *

AGL SD E2 Rapid City, SD (Amended)

Rapid City Regional Airport, SD
(Lat. 44°02′43″ N., long. 103°03′27″ W.)
Ellsworth AFB, SD
(Lat. 44°08′42″ N., long. 103°06′13″ W.)
Rapid City VORTAC
(Lat. 43°58′34″ N., long. 103°00′44″ W.)

Within a 4.4-mile radius of the Rapid City Regional Airport, excluding the portion north of a line between the intersection of the Rapid City Regional Airport 4.4-mile radius and the Ellsworth AFB 4.7-mile radius, and that airspace extending upward from the surface within 2.6 miles each side of the Rapid City VORTAC 155°/335°. radials extending from the 4.4-mile radius of the Rapid City Regional Airport to 7 miles southeast of the VORTAC, excluding that airspace within the Rapid City, SD, Class D airspace area.

* * * * *

Paragraph 6004 Class E Airspace Areas Designated as an Extension to a Class D or Class E Surface Area.

* * * * *

AGL SD E4 Rapid City, SD (Amended)

Rapid City Regional Airport, SD
(Lat. 44°02′43″ N., long. 103°03′27″ W.)
Rapid City VORTAC
(Lat. 43°58′34″ N., long. 103°00′44″ W.)

That airspace extending upward from the surface within 2.6 miles each side of the Rapid City VORTAC 155°/335° radials extending from the 4.4-mile radius of the Rapid City Regional Airport to 7 miles southeast of the VORTAC, excluding that airspace within the Rapid City, SD, Class D airspace area.

Issued in Fort Worth, Texas, on January 27, 2016.

Robert W. Beck,

Manager, Operations Support Group, ATO Central Service Center.

[FR Doc. 2016–02037 Filed 2–3–16; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF STATE

22 CFR Part 41

[Public Notice: 9428]

RIN 1400–AD17

Visas: Documentation of Nonimmigrants Under the Immigration and Nationality Act, as Amended

AGENCY: Department of State.

ACTION: Interim final rule.

SUMMARY: As a result of this rule, a passport and a visa will be required of a British, French, or Netherlands national, or of a national of Antigua, Barbados, Grenada, Jamaica, or Trinidad and Tobago, who has residence in British, French, or Netherlands territory located in the adjacent islands of the Caribbean area, or has residence in Antigua, Barbados, Grenada, Jamaica, or Trinidad and Tobago, if the alien is proceeding to the United States as an agricultural worker. In light of past experience, and to promote consistency of treatment across H–2A agricultural workers, prudent border management requires these temporary workers to obtain a visa along with most other H–2A agricultural workers.

The previous rule allowing temporary workers from these countries to enter the United States without a visa presented a vulnerability. Temporary workers from these countries now require H–2A visas to enter the United States.

DATES: This rule is effective February 19, 2016. *Comment period:* The Department will accept comments until April 4, 2016.

ADDRESSES:

- Interested parties may submit comments at any time by any of the following methods:
- *Mail:* U.S. Department of State, Visa Services, Legislation and Regulations Division, 600 19th Street NW., Room 12–526B, Washington, DC 20006 ATTN: Paul-Anthony L. Magadia.
- If you have access to the Internet you may submit comments by going to *http://www.regulations.gov/#!home* and searching for Public Notice number XXXX.

FOR FURTHER INFORMATION CONTACT: Paul-Anthony L. Magadia, U.S. Department of State, Visa Services, Legislation and Regulations Division, Washington, DC 20006, (202) 485–7641, Email: *magadiapl@state.gov.*

SUPPLEMENTARY INFORMATION:

Why is the Department promulgating this rule?

The Department of State (the Department) is amending the previous rule to alleviate fraud and security concerns that have developed subsequent to that rule's publication. The previous rule, 22 CFR 41.2(e)(1), allowed nationals of certain Caribbean countries, as well as nationals of certain other countries who have residence in such countries' territories in the Caribbean, to enter the United States as temporary agricultural workers without visas. The amended rule requires that temporary workers from these countries obtain H–2A visas to enter the United States.

What is the current rule?

Currently, British, French, and Netherlands nationals and nationals of Antigua, Barbados, Grenada, Jamaica, and Trinidad and Tobago, who have their residence in British, French, or Netherlands territory located in the adjacent islands of the Caribbean area or in Antigua, Barbados, Grenada, Jamaica, or Trinidad and Tobago, are not required to obtain visas before traveling to the United States as H–2A agricultural workers.

What will prospective H–2A agricultural workers be required to do?

The amended rule requires these prospective H–2A agricultural workers to obtain a visa prior to traveling to the United States. Any spouses or children of these workers also will have to obtain a visa. To obtain a visa, these nonimmigrant aliens will have to be in possession of a valid passport, submit a visa application to and appear for an interview at a U.S. embassy or consulate, and undergo the Department's visa screening process.

Will the amended rule ensure that prospective H–2A agricultural workers are properly screened prior to their arrival in the United States?

Requiring these prospective H–2A agricultural workers to obtain visas will ensure that they are sufficiently screened prior to arrival in the United States. This will lessen the possibility that persons who pose security risks to the United States and other potential immigration violators may improperly gain admission to the United States. At the same time, requiring that these applicants appear before consular officers will provide greater opportunities to prescreen for potential employment fraud and will promote compliance with Department of Homeland Security (DHS) and Department of Labor (DOL) H–2A rules.

How will the amended rule further the national security interests of the United States?

The Department, in conjunction with DHS, has determined that the visa exemption provided a loophole that could potentially be exploited by terrorists and other persons seeking to engage in unlawful activities in the United States and threatens the security interests of the United States. This visa exemption is outdated in the post-9/11 environment and inconsistent with the visa requirement for other H–2A agricultural workers from other countries. The Department and DHS have determined that eliminating this visa exemption furthers the national security interests of the United States.

How will the amended rule affect the Department's visa issuance process?

The application of the general visa requirement to the class of Caribbean agricultural workers described above will ensure that these applicants for admission, like other H–2A agricultural workers, are properly screened through the Department's visa issuance process prior to arrival in the United States. This will lessen the possibility that persons who pose security risks to the United States and other potential immigration violators may improperly gain admission to the United States.

Moreover, extending the visa requirement to these Caribbean H–2A agricultural workers will better ensure that such workers are protected from certain employment and recruitment-based abuses. It also will ensure that agricultural workers have been informed, and are aware of, their rights and responsibilities before departing from their home countries to engage in H–2A agricultural work.

What other changes is the Department making in this rule?

Redesignated paragraph (e)(2)(iv) is being amended to reflect that The Royal Virgin Islands Police Department has been renamed the Royal Virgin Islands Police Force.

Will DHS be publishing a parallel amendment?

DHS is publishing a parallel amendment to 8 CFR 212.1(b).

Regulatory Findings

Administrative Procedure Act

The publication of this rule as an interim final rule, with provisions for post-promulgation public comments, is based on the good cause exception found in section 553 of the Administrative Procedure Act (APA) (5 U.S.C. 553(b)(B)). There is reasonable concern that publication of the rule as a proposed rule, which would permit continuation of the current visa exemption, could lead to an increase in applications for admission in bad faith by persons who would otherwise have been denied visas and are seeking to avoid the visa requirement and consular screening process during the period between the publication of a proposed and a final rule. Accordingly, the Department finds that it is impracticable and contrary to the public interest to publish this rule with prior notice and comment period. Under the good cause exception, this rule is exempt from the notice and comment and delayed effective date requirements of the APA.

In addition, the Department is of the opinion that eliminating the visa exemption and requiring a visa for Caribbean H–2A agricultural workers, and the spouses or children accompanying or following these workers, is a foreign affairs function of the U.S. government. As this rule implements this function, the Department is of the opinion that, pursuant to 5 U.S.C. 553(a)(1), this rule is exempt from the requirements of 5 U.S.C. 553, including the notice and comment and 30-day delayed effective date requirements. The Department is nevertheless providing the opportunity for the public to provide comments for 60 days.

Regulatory Flexibility Act/Executive Order 13272: Small Business

Because this interim final rule is exempt from notice and comment rulemaking under 5 U.S.C. 553, it is exempt from the regulatory flexibility analysis requirements set forth at sections 603 and 604 of the Regulatory Flexibility Act (5 U.S.C. 603 and 604). Nonetheless, consistent with section 605(b) of the Regulatory Flexibility Act (5 U.S.C. 605(b)), the Department certifies that this rule will not have a significant economic impact on a substantial number of small entities. This rulemaking regulates individual aliens who seek consideration for nonimmigrant visas and does not affect any small entities, as defined in 5 U.S.C. 601(6).

The Unfunded Mandates Reform Act of 1995

Section 202 of the Unfunded Mandates Reform Act of 1995, Public Law 104–4, 109 Stat. 48, 2 U.S.C. 1532, generally requires agencies to prepare a statement before proposing any rule that may result in an annual expenditure of $100 million or more by state, local, or tribal governments, or by the private sector. This rule will not result in any such expenditure, nor will it significantly or uniquely affect small governments.

The Small Business Regulatory Enforcement Fairness Act of 1996

This rule is not a major rule as defined by 5 U.S.C. 804, for purposes of congressional review of agency rulemaking under the Small Business Regulatory Enforcement Fairness Act of 1996, Public Law 104–121.

Executive Order 12866: Regulatory Review

The costs of this rulemaking are discussed in the companion DHS rule, RIN 1651–AB09, included elsewhere in this edition of the **Federal Register**. That discussion is incorporated by reference herein. The Department has reviewed the costs and benefits of this rule to ensure its consistency with the regulatory philosophy and principles set forth in Executive Order 12866 and has determined that the benefits of this interim final rule justify its costs.

Executive Order 13563

The Department has considered this rule in light of Executive Order 13563, dated January 18, 2011, and affirms that this regulation is consistent with the guidance therein.

Executive Orders 12372 and 13132: Federalism

This regulation will not have substantial direct effects on the states, on the relationship between the national government and the states, or the distribution of power and responsibilities among the various levels of government; nor will the rule have federalism implications warranting the application of Executive Orders 12372 and 13132.

Executive Order 13175 Consultation and Coordination With Indian Tribal Governments

The Department has determined that this rulemaking will not have tribal implications, will not impose substantial direct compliance costs on Indian tribal governments, and will not pre-empt tribal law. Accordingly, the requirements of Executive Order 13175 do not apply to this rulemaking.

Executive Order 12988: Civil Justice Reform

The Department has reviewed this interim final rule in light of Executive Order 12988 to eliminate ambiguity, minimize litigation, establish clear legal standards, and reduce burden.

Paperwork Reduction Act

This rule does not impose any new information collections subject to the Paperwork Reduction Act, 44 U.S.C., Chapter 35. The Department anticipates between 100 and 4,100 additional nonimmigrant visa applicants per year as a result of this rulemaking. The current burden for this information collection (OMB Control No. 1405–0182) is 13,875,345 hours, with 11,100,276 respondents. The burden per response is 75 minutes. The top estimate for the number of additional respondents would add approximately 5,000 hours to a burden that is almost 14 million hours. Therefore, the addition of these respondents does not significantly increase the burden associated with this information collection.

List of Subjects in 22 CFR Part 41

Aliens, Foreign officials, Immigration, Nonimmigrants, Passports and visas.

For the reasons stated in the preamble, the Department of State is amending 22 CFR part 41 to read as follows:

PART 41—[AMENDED]

■ 1. The authority citation for part 41 is revised to read as follows:

Authority: 22 U.S.C. 2651a; 8 U.S.C. 1104; Pub. L. 105–277, 112 Stat. 2681–795 through 2681–801; 8 U.S.C. 1185 note (section 7209 of Pub. L. 108–458, as amended by section 546 of Pub. L. 109–295).

■ 2. Amend § 41.2 as follows:

■ a. Remove paragraph (e).

■ b. Redesignate paragraphs (f) through (m) as paragraphs (e) through (l).

■ c. Revise redesignated paragraph (e)(2)(iv).

The revisions read as follows:

§ 41.2 Exemption or waiver by Secretary of State and Secretary of Homeland Security of passport and/or visa requirements for certain categories of nonimmigrants.

* * * * *

(e) * * *

(2) * * *

(iv) Presents a current certificate issued by the Royal Virgin Islands Police Force indicating that he or she has no criminal record.

* * * * *

Dated: January 22, 2016.

David T. Donahue,

Acting Assistant Secretary for Consular Affairs, Department of State.

[FR Doc. 2016–02191 Filed 2–3–16; 8:45 am]

BILLING CODE 4710–06–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[TD 9748]

RIN 1545–BM57

Allocation of Creditable Foreign Taxes

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final and temporary regulations.

SUMMARY: This document contains temporary regulations that provide guidance relating to the allocation by a partnership of creditable foreign tax expenditures. These temporary regulations are necessary to improve the operation of an existing safe harbor rule that is used for determining whether allocations of creditable foreign tax expenditures are deemed to be in accordance with the partners' interests in the partnership. The text of these temporary regulations also serves as the text of the proposed regulations set forth in the notice of proposed rulemaking (REG–100861–15) published in the Proposed Rules section in this issue of the **Federal Register**. These regulations affect partnerships that pay or accrue foreign income taxes, and their partners.

DATES: *Effective Date:* These regulations are effective on February 4, 2016.

Applicability Dates: For dates of applicability, see §§ 1.704–1T(b)(1)(ii)(*b*)(*1*) and (b)(1)(ii)(*b*)(*3*)(*B*).

FOR FURTHER INFORMATION CONTACT: Suzanne M. Walsh, (202) 317–4908 (not a toll-free call).

SUPPLEMENTARY INFORMATION:

Background and Explanation of Provisions

Allocations of creditable foreign tax expenditures (''CFTEs'') do not have substantial economic effect, and accordingly a CFTE must be allocated in accordance with the partners' interests in the partnership. *See* § 1.704–1(b)(4)(viii). Section 1.704–1(b)(4)(viii) provides a safe harbor under which CFTE allocations are deemed to be in accordance with the partners' interests in the partnership. In general, the purpose of the safe harbor is to match allocations of CFTEs with the income to which the CFTEs relate.

In order to apply the safe harbor, a partnership must (1) determine the partnership's ''CFTE categories,'' (2) determine the partnership's net income in each CFTE category, and (3) allocate the partnership's CFTEs to each category. Section 1.704–1(b)(4)(viii)(*c*)(*2*) requires a partnership to assign its income to activities and provides for the grouping of a partnership's activities into one or more CFTE categories based generally on whether net income from the activities is allocated to partners in the same sharing ratios. Section 1.704–1(b)(4)(viii)(*c*)(*3*) provides rules for determining the partnership's net income (for U.S. federal income tax purposes) in a CFTE category, including rules for allocating and apportioning expenses, losses, and other deductions to gross income. Section 1.704–1(b)(4)(viii)(*d*) assigns CFTEs to the CFTE category that includes the related income under the principles of § 1.904–6, with certain modifications. In order to satisfy the safe harbor, partnership allocations of CFTEs in a CFTE category must be in proportion to the allocations of the partnership's net income in the CFTE category.

I. Effect of Section 743(b) Adjustments

Section 1.704–1(b)(4)(viii)(*c*)(*3*)(*i*) of the current final regulations provides that a partnership determines its net income in a CFTE category by taking into account all partnership items attributable to the relevant activity or group of activities, including items of gross income, gain, loss, deduction, and expense, and items allocated pursuant to section 704(c). The current final regulations do not state whether an adjustment under section 743(b) is taken into account in computing the partnership's net income in a CFTE category.

In the case of a transfer of a partnership interest that results in an adjustment under section 743(b) (because the partnership has a section 754 election in effect, or because there is a substantial built-in loss (as defined in section 743(d)) in the partnership), the partnership must adjust the basis of partnership property with respect to the transferee partner only (a section 743(b) adjustment). No adjustment is made to the common basis of partnership property, and the section 743(b) adjustment has no effect on the partnership's computation of any item under section 703. § 1.743–1(j)(1).

The Treasury Department and the IRS believe that a transferee partner's section 743(b) adjustment with respect to its interest in a partnership should not be taken into account in computing such partnership's net income in a CFTE category because the basis adjustment is unique to the transferee partner and because the basis adjustment ordinarily would not be taken into account by a foreign jurisdiction in computing its foreign