

purposes of penalties under section 6651, 90 days are disregarded under paragraph (b) of this section beginning on May 10, 2002. Because L files the return on May 31, 2002, the penalties under section 6651 will run from April 16, 2002, until May 10, 2002. Because there is no extension of time to file returns under section 6081 and no extension of time to pay under section 6161, interest is not abated under section 6404(h), and L is liable for the underpayment interest for the entire period of April 16, 2002, through May 31, 2002.

Example 7. The facts are the same as in *Example 6*, except L does not file the 2001 Form 1040 until November 25, 2002. Ninety days are disregarded under paragraph (b) of this section beginning on May 10, 2002, and ending on August 8, 2002. Therefore, the section 6651 penalties will run from April 16, 2002, until May 10, 2002, and from August 9, 2002, until November 25, 2002. Because there is no extension of time to file returns under section 6081 and no extension of time to pay under section 6161, interest is not abated under section 6404(h), and L will remain liable for underpayment interest for the entire period of April 16, 2002, through November 25, 2002.

Example 8. (i) H and W, individual calendar year taxpayers, intend to file a joint Form 1040, "U.S. Individual Income Tax Return," for the 2001 taxable year. The joint return is due on April 15, 2002. After credits for withholding under section 31 and estimated tax payments, H and W owe tax for the 2001 taxable year. H and W's principal residence is in County D in State Q.

(ii) On March 1, 2002, severe flooding strikes County D. On March 5, 2002, the President declares a disaster within the meaning of section 1033(h)(3). The Internal Revenue Service determines that County D in State Q is a covered disaster area and publishes guidance informing taxpayers that for acts described in paragraph (c) of this section that are required to be performed within the period beginning on March 1, 2002, and ending on April 25, 2002, 90 days will be disregarded in determining whether the acts are performed timely. The guidance also grants affected taxpayers an additional 6-month extension of time to file returns under section 6081 and an additional 6-month extension of time to pay under section 6161.

(iii) Because H and W's principal residence is in County D, H and W are affected taxpayers. Pursuant to the published guidance, H and W have until January 13, 2003, to file their return and pay the tax. This date is computed as follows: Under sections 6081 and 6161, H and W will have an additional 6 months, until October 15, 2002, to file and pay the tax. Further, under paragraph (f) of this section, 90 days are disregarded in determining the period of the extension. Therefore, H and W's return and payment of tax will be timely if filed and paid on or before January 13, 2003. In addition, under section 6404(h), underpayment interest under section 6601 is abated for the entire period, from April 16, 2002, until January 13, 2003.

(h) *Effective date.* This section applies to disasters declared after December 30, 1999.

Robert E. Wenzel,

Deputy Commissioner of Internal Revenue.

Approved: November 30, 2000.

Jonathan Talisman,

Acting Assistant Secretary of the Treasury.

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DEPARTMENT OF JUSTICE

28 CFR Part 0

[AG Order No. 2343-2000]

Authority To Compromise and Close Civil Claims

AGENCY: Department of Justice, Civil Division.

ACTION: Final rule.

SUMMARY: This rule restores to the Code of Federal Regulations language regarding the definition of "gross amount of the original claim" that appears to have been omitted through clerical error when the regulation was previously amended. This amendment added language relating to the settlement of certain customs penalty cases but inadvertently replaced, rather than supplemented, the then existing language.

EFFECTIVE DATE: December 15, 2000.

FOR FURTHER INFORMATION CONTACT: Stephen Altman, Assistant Director, Commercial Litigation Branch, Civil Division, Department of Justice, Room 6540, 601 D Street, NW., Washington, DC 20004; (202) 307-0188.

SUPPLEMENTARY INFORMATION:

Why Is the Department Publishing This Rule?

This rule corrects the regulations governing authority to compromise civil claims. This amendment restores the exact language of 28 CFR 0.169 that was deleted when a prior amendment published on September 8, 1986, inadvertently substituted rather than added language defining that term as applied to the settlement of certain customs penalty cases. 51 FR 31939.

To What Situations Does the Regulation Being Amended Apply?

The regulation at 28 CFR 0.169, which this rule amends, is included in subpart Y of Title 28 of the Code of Federal Regulations. Subpart Y deals with the authority of the Assistant Attorneys General of the various litigating divisions of the Department of Justice to

compromise and close civil claims, and the responsibility for collecting and enforcing judgments, fines, penalties, and forfeitures. Throughout subpart Y, various levels of authority are defined by reference to the term "gross amount of the original claim." This definition is important in setting the scope of authority in fraud cases where a demand may be made for multiples of single damages and forfeitures or civil penalties.

How Does This Rule Affect Persons Outside the Department?

This rule has no effect on the rights or obligations of persons outside the Department. It only pertains to case settlement authorities delegated to certain Department personnel.

Administrative Procedure Act 5 U.S.C. 553

Because this rule relates to agency organization and pertains to a matter of internal Department of Justice management and procedures, the rule does not need to be published for public comment, 5 U.S.C. 553(a)(2). The rule is effective upon issuance.

Regulatory Flexibility Act

The Attorney General, in accordance with the Regulatory Flexibility Act (5 U.S.C. 605(b)), has reviewed this regulation and by approving it certifies that this regulation will not have a significant economic impact on a substantial number of small entities because it pertains to administrative and organizational matters affecting the Department. Further, a Regulatory Flexibility Analysis was not required to be prepared for this final rule since the Department was not required to publish a general notice of proposed rulemaking for this matter.

Executive Order 12866

This action has been drafted and reviewed in accordance with Executive Order 12866, "Regulatory Planning and Review," section 1(b), Principles of Regulation. This rule is limited to agency organization, management, and personnel as described by section 3(d)(3) of Executive Order 12866 and, therefore, is not a "regulation" or "rule" as defined by this Executive Order. Accordingly, this action has not been reviewed by the Office of Management and Budget.

Executive Order 13132

This regulation will not have substantial direct effects on the States, on the relationship between the national government and the States, or on distribution of power and

responsibilities among the various levels of government. Therefore, in accordance with Executive Order 13132, it is determined that this rule does not have sufficient federalism implications to warrant the preparation of a Federalism Summary Impact Statement.

Executive Order 12988

This regulation meets the applicable standards set forth in sections 3(a) and 3(b)(2) of Executive Order 12988, Civil Justice Reform.

Small Business Regulatory Enforcement Fairness Act of 1996

This rule is not a major rule as defined by section 251 of the Small Business Regulatory Enforcement Fairness Act of 1996. 5 U.S.C. 804. This rule will not result in an annual effect on the economy of \$100,000,000 or more; a major increase in costs or prices; or significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of United States-based companies to compete with foreign-based companies in domestic and export markets.

Unfunded Mandates Reform Act of 1995

This rule will not result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of \$100,000,000 or more in any one year, and it will not significantly or uniquely affect small governments. Therefore, no actions were deemed necessary under the provisions of the Unfunded Mandates Reform Act of 1995.

Plain Language Instructions

We try to write clearly. If you can suggest how to improve the clarity of these regulations, call or write: Stephen Altman, Assistant Director, Commercial Litigation Branch, Civil Division, Department of Justice, Room 6540, 601 D Street, NW., Washington, DC 20004; (202) 307-0188.

Congressional Review Act

This action pertains to agency management, personnel, and organization and does not substantially affect the rights or obligations of non-agency parties and, accordingly, is not a "rule" as that term is used by the Congressional Review Act (Subtitle E of the Small Business Regulatory Enforcement Fairness Act of 1996). Therefore, the reporting requirement of 5 U.S.C. 801 does not apply.

List of Subjects in 28 CFR Part 0

Authority delegations (government agencies), Government employees,

Organization and functions (government agencies), Whistleblowing.

Accordingly, for the reasons set forth in the preamble, Chapter I of Title 28 of the Code of Federal Regulations is amended as follows:

PART 0—[AMENDED]

1. The authority citation for part 0 continues to read as follows:

Authority: 5 U.S.C. 301; 28 U.S.C. 509, 510, 515–519.

2. Revise § 0.169 to read as follows:

§ 0.169 Definition of "gross amount of the original claim".

(a) The phrase *gross amount of the original claim* as used in this subpart Y and as applied to any civil fraud claim described in § 0.45(d), shall mean the amount of single damages involved.

(b) The phrase *gross amount of the original claim* as used in this subpart Y and as applied to any civil claim brought under section 592 of the Tariff Act of 1930, as amended (see § 0.45(c)), shall mean the actual amount of lost customs duties involved. In nonrevenue loss cases brought under section 592 of the Tariff Act of 1930, as amended, the phrase *gross amount of the original claim* shall mean the amount demanded in the Customs Service's mitigation decision issued pursuant to 19 U.S.C. 1618 or, if no mitigation decision has been issued, the *gross amount of the original claim* shall mean twenty percent of the dutiable value of the merchandise.

Dated: December 6, 2000.

Janet Reno,

Attorney General.

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PENSION BENEFIT GUARANTY CORPORATION

29 CFR Parts 4022 and 4044

Benefits Payable in Terminated Single-Employer Plans; Allocation of Assets in Single-Employer Plans; Interest Assumptions for Valuing and Paying Benefits

AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Final rule.

SUMMARY: The Pension Benefit Guaranty Corporation's regulations on Benefits Payable in Terminated Single-Employer Plans and Allocation of Assets in Single-Employer Plans prescribe interest assumptions for valuing and paying benefits under terminating single-

employer plans. This final rule amends the regulations to adopt interest assumptions for plans with valuation dates in January 2001. Interest assumptions are also published on the PBGC's web site (<http://www.pbgc.gov>). **EFFECTIVE DATE:** January 1, 2001.

FOR FURTHER INFORMATION CONTACT:

Harold J. Ashner, Assistant General Counsel, Office of the General Counsel, Pension Benefit Guaranty Corporation, 1200 K Street, NW., Washington, DC 20005, 202-326-4024. (For TTY/TDD users, call the Federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4024.)

SUPPLEMENTARY INFORMATION: The PBGC's regulations prescribe actuarial assumptions—including interest assumptions—for valuing and paying plan benefits of terminating single-employer plans covered by title IV of the Employee Retirement Income Security Act of 1974. The interest assumptions are intended to reflect current conditions in the financial and annuity markets.

Three sets of interest assumptions are prescribed: (1) a set for the valuation of benefits for allocation purposes under section 4044 (found in Appendix B to Part 4044), (2) a set for the PBGC to use to determine whether a benefit is payable as a lump sum and to determine lump-sum amounts to be paid by the PBGC (found in Appendix B to Part 4022), and (3) a set for private-sector pension practitioners to refer to if they wish to use lump-sum interest rates determined using the PBGC's historical methodology (found in Appendix C to Part 4022). (See the PBGC's two final rules published March 17, 2000, in the **Federal Register** (at 65 FR 14752 and 14753). Effective May 1, 2000, these rules changed how the interest assumptions are used and where they are set forth in the PBGC's regulations.)

Accordingly, this amendment (1) adds to Appendix B to Part 4044 the interest assumptions for valuing benefits for allocation purposes in plans with valuation dates during January 2001, (2) adds to Appendix B to Part 4022 the interest assumptions for the PBGC to use for its own lump-sum payments in plans with valuation dates during January 2001, and (3) adds to Appendix C to Part 4022 the interest assumptions for private-sector pension practitioners to refer to if they wish to use lump-sum interest rates determined using the PBGC's historical methodology for valuation dates during January 2001.

For valuation of benefits for allocation purposes, the interest assumptions that the PBGC will use (set forth in Appendix B to part 4044) will be 6.70