

[4830-01-u]

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 301

[REG-116704-99]

RIN 1545-AX69

Disclosures of Return Information to Officers and Employees of the Department of Agriculture for Certain Statistical Purposes and Related Activities

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking by cross-reference to temporary regulations.

SUMMARY: This document provides a proposed regulation relating to the disclosure of return information to officers and employees of the Department of Agriculture for certain statistical purposes and related activities. The proposed regulation would permit the IRS to disclose return information to the Department of Agriculture to structure, prepare, and conduct the Census of Agriculture. The text of the temporary regulation published in the Rules and Regulations section of this issue of the **Federal Register** also serves as the text of this proposed regulation.

DATES: Written and electronic comments and requests for a public hearing must be received by April 3, 2000.

ADDRESSES: Send submissions to: CC:DOM:CORP:R (REG-116704-99), room 5226 Internal Revenue Service, POB 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand delivered Monday through Friday between the hours of 8 a.m. and 5 p.m. to : CC:DOM:CORP:R (REG-116704-99), Courier's Desk, Internal

Revenue Service, 1111 Constitution Avenue, NW; Washington, DC. Alternatively, taxpayers may submit comments electronically via the Internet by selecting the “Tax Regs” option on the IRS Home Page, or by submitting comments directly to the IRS Internet site: http://www.irs.gov/tax_regs/regslst.html.

FOR FURTHER INFORMATION CONTACT: Concerning the proposed regulations, Jennifer S. McGinty, (202) 622-4570; concerning submissions of comments, Guy Traynor (202) 622-7180 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:

Background

Temporary regulations in the Rules and Regulations section of this issue of the **Federal Register** amend the Procedure and Administration Regulations (26 CFR part 301) relating to section 6103(j)(5). The temporary regulations contain rules relating to the disclosure of return information to officers and employees of the Department of Agriculture for certain statistical purposes and related activities.

The text of these temporary regulations also serves as the text of these proposed regulations. The preamble to the temporary regulations explains the temporary regulations and these proposed regulations.

Explanation of Provisions

This proposed regulation will allow the IRS to disclose return information to the Department of Agriculture to structure, prepare, and conduct the Census of Agriculture.

The disclosure of the specific items of return information identified in this

regulation is necessary in order for the Department of Agriculture to accurately identify, locate, and classify, as well as properly process, information from agricultural businesses to be surveyed for the statutorily mandated Census of Agriculture.

Special Analyses

It has been determined that this notice of proposed rulemaking is not a significant regulatory action as defined in Executive Order 12866. Therefore, a regulatory assessment is not required. It has also been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) does not apply to these regulations, and because these regulations do not impose a collection of information on small entities, the Regulatory Flexibility Act (5 U.S.C. chapter 6) does not apply. Pursuant to section 7805(f) of the Code, this proposed regulation will be submitted to the Chief Counsel for Advocacy for the Small Business Administration for comment on its impact on small businesses.

Comments and Requests for a Public Hearing

Before this proposed regulation is adopted as a final regulation, consideration will be given to any electronic and written comments (a signed original and eight (8) copies) that are submitted timely to the Service. Additionally, the Service and Treasury Department specifically request comments on the clarity of the proposed regulation and how it can be made easier to understand. All comments will be available for public inspection and copying. A public hearing may be scheduled if requested in writing by a person that timely submits comments. If a public hearing is scheduled, notice of the date, time, and place for the hearing will be published in the **Federal Register**.

Drafting Information

The principal author of this regulation is Jennifer S. McGinty, Office of the Assistant Chief Counsel (Disclosure Litigation), IRS. However, other personnel from the IRS and Treasury Department participated in its development.

List of Subjects in 26 CFR Part 301

Employment taxes, Estate taxes, Excise taxes, Gift taxes, Income taxes, Penalties, Reporting and recordkeeping requirements.

Proposed Amendments to the Regulations

Accordingly, 26 CFR part 301 is proposed to be amended as follows:

PART 301--PROCEDURE AND ADMINISTRATION

Paragraph 1. The authority citation for part 301 is amended by adding an entry in numerical order to read in part as follows:

Authority: 26 U.S.C. 7805 * * *

Section 301.6103(j)(5)-1 also issued under 26 U.S.C. 6103(j)(5). * * *

Par. 2. Section 301.6103(j)(5)-1 is added to read as follows:

§ 301.6103(j)(5)-1. Disclosures of return information to officers and employees of the Department of Agriculture for certain statistical purposes and related activities.

[The text of this proposed regulation is the same as the text of §301.6103(j)(5)-1T published elsewhere in this issue of the **Federal Register**].* * *

Commissioner of Internal Revenue

