2. By amending § 97.25 LOC, LOC/DME, LDA, LDA/DME, SDF, and SDF/DME SIAPs identified as follows:

** * * Effective September 27, 1984*

Escanaba, MI—Delta County, LOC/DME (BC) RWY 27, Amdt. 2
Portland, OR—Portland Intl, LOC/DME RWY 20, Amdt. 4
Temple, TX—Draughon-Miller Muni, LOC/DME BC RWY 33, Orig.

** * * Effective August 8, 1984*

Kalamazoo, MI—Kalamazoo Muni, LOC BC RWY 17, Amdt. 16

** * * Effective July 26, 1984*

Reno, NV—Reno Cannon Intl, LOC/DME BC-B, Amdt. 6
Reno, NV—Reno Cannon Intl, LOC-1 RWY 16R, Amdt. 3
Reno, NV—Reno Cannon Intl, LOC-2 RWY 16R, Amdt. 2

3. By amending § 97.27 NDB and NDB/DME SIAPs identified as follows:

** * * Effective September 27, 1984*

Hartselle, AL—Roundtree Field, NDB-A, Orig.
Harrison, AR—Boone County, NDB RWY 18, Amdt. 3
Harrison, AR—Boone County, NDB RWY 36, Amdt. 3
Sacramento, CA—Sacramento Executive, NDB RWY 2, Amdt. 9
Cambridge, MD—Cambridge-Dorchester, NDB RWY 34, Amdt. 6
Easton, MD—Easton Muni, NDB RWY 22, Amdt. 5
Millville, NJ—Millville Muni, NDB RWY 14, Amdt. 5
Elizabeth City, NC—Elizabeth City CG Air Station/Muni, NDB-A, Amdt. 8
Laredo, TX—Laredo Intl, NDB RWY 17C, Amdt. 5
Platteville, WI—Grant County, NDB RWY 25, Amdt. 1

** * * Effective August 30, 1984*

Cadillac, MI—Wexford County, NDB RWY 25, Amdt. 5
Austin, TX—Robert Mueller Muni, NDB RWY 31L, Amdt. 31

** * * Effective August 2, 1984*

Coffeyville, KS—Coffeyville Muni, NDB RWY 35, Amdt. 8

4. By amending § 97.29 ILS ILS/DME, ISMLS, MLS, MLS/DME and MLS/RNAV SIAPs identified as follows:

** * * Effective September 27, 1984*

Sacramento, CA—Sacramento Executive, ILS RWY 2, Amdt. 22
Atlanta, GA—The William B. Hartsfield Atlanta Intl, ILS RWY 8, Amdt. 55
Escanaba, MI—Delta County, ILS RWY 9, Amdt. 2
Jackson, MS—Allen C. Thompson Field, ILS RWY 15L, Amdt. 3
Las Vegas, NV—McCarran Intl, ILS RWY 25, Amdt. 11
Williamsport, PA—Williamsport-Lycoming County, ILS RWY 27, Amdt. 15
Laredo, TX—Laredo Intl, ILS RWY 17C, Amdt. 6

** * * Effective August 30, 1984*

Cadillac, MI—Wexford County, MLS RWY 25, Orig.
Austin, TX—Robert Mueller Muni, ILS RWY 31L, Amdt. 30

** * * Effective July 26, 1984*

San Francisco, CA—San Francisco Intl, ILS RWY 28R, Amdt. 5
Reno, NV—Reno Cannon Intl, ILS RWY 16R, Amdt. 5

5. By amending § 97.31 RADAR SIAPs identified as follows:

** * * Effective September 27, 1984*

Blytheville, AR—Blytheville, Muni, RADAR-1, Orig.
New Orleans, LA—New Orleans Intl (Moisant Field), RADAR 1, Amdt. 13

6. By amending § 97.33 RNAV SIAPs identified as follows:

** * * Effective September 27, 1984*

Wichita, KS—Colonel James Jabara, RNAV RWY 18, Orig.
Ashland, KY—Ashland-Boyd County, RNAV RWY 28, Amdt. 1, Cancelled
Blackwell, OK—Blackwell-Tonkawa Muni, RNAV RWY 17, Amdt. 1
Blackwell, OK—Blackwell-Tonkawa Muni, RNAV RWY 35, Amdt. 1

** * * Effective August 30, 1984*

Cadillac, MI—Wexford County, RNAV RWY 7, Amdt. 4
Cadillac, MI—Wexford County, RNAV RWY 25, Amdt. 3

** * * Effective August 2, 1984*

Coffeyville, KS—Coffeyville Muni, RNAV RWY 35, Amdt. 2

(Secs. 307, 313(a), 601, and 1110, Federal Aviation Act of 1958 (49 U.S.C. 1348, 1354(a), 1421, and 1510); 49 U.S.C. 106(g) (Revised, Pub. L. 97-449, January 12, 1983); and 14 CFR 11.49(b)(3))

Note.—The FAA has determined that this 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 "major rule" under Executive Order 12291; (2) is not a "significant rule" under 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. For the same reason, the FAA certifies that this amendment will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

Note.—The incorporation by reference in the preceding document was approved by the Director of the Federal Register on December 31, 1980, and reapproved as of January 1, 1982.

Issued in Washington, D.C. on August 10, 1984.

Kenneth S. Hunt,

Director of Flight Operations.

[FR Doc. 84-22184 Filed 8-21-84; 8:45 am]
BILLING CODE 4910-13-M

FEDERAL ELECTION COMMISSION

11 CFR Parts 9007 and 9038

[Notice 1984-14]

Repayments by Publicly Financed Presidential Candidates

AGENCY: Federal Election Commission.

ACTION: Final Rule; Transmittal to Congress.

SUMMARY: The Commission is publishing today revised rules governing the formula used to determine repayments for non-qualified campaign expenses by publicly-financed Presidential candidates. The regulations provide for a pro-rata, rather than 100%, repayment of funds used for such expenses, in accordance with the recent decisions by the U.S. Court of Appeals for the D.C. Circuit in *Kennedy for President Committee* v. *Federal Election Commission*, No. 83-1521 (D.C. Cir. May 15, 1984) and *Reagan for President Committee* v. *Federal Election Commission*, No. 83-1666 (D.C. Cir. May 15, 1984). Further information on the revised regulations is found in the Supplemental Information which follows.

EFFECTIVE DATES: Further action, including the announcement of an effective date, will be taken by the Commission after these regulations have been before the Congress 30 legislative days in accordance with 26 U.S.C. 9009(c) and 9039(c).

FOR FURTHER INFORMATION CONTACT: Susan E. Propper, Assistant General Counsel, (202) 523-4143 or Toll Free (800) 424-9530.

SUPPLEMENTARY INFORMATION: On June 28, 1984, the Commission published a Notice of Proposed Rulemaking seeking comments on proposed revisions to the regulations govering certain kinds of repayments by publicly-financed candidates. 49 FR 26596. The comment period ended on July 30, 1984. No comments were received in response to the Notice.

26 U.S.C. 9009(c) and 9038(c) require that any rule or regulation prescribed by the Commission to carry out the provisions of Title 26, United States Code, be transmitted to the Speaker of the House of Representatives and the President of the Senate prior to final promulgation. These regulations were transmitted on August 17, 1984.

Explanation and Justification

On May 15, 1984, the U.S. Court of Appeals for the D.C. Circuit held that repayments by publicly-financed Presidential primary candidates for non-qualified campaign expenses should be "limited to the amount of federal funds that the Commission reasonably determined were spent" by the candidates for such purposes. *Kennedy for President Committee et al.* v. *Federal Election Commission*, No 83–1521 (D.C. Cir. May 15, 1984); *Reagan for President Committee* v. *Federal Election Commission*, No. 83–1666, slip op. at 2 (D.C. Cir. May 15, 1984). In accordance with the court's order, the Commission has revised its regulations, which currently require repayment of the total amount spent on non-qualified campaign expenses. *See*, 11 CFR 9007.2(b)(2) and 9038.2(b)(2) [1983]. The revised regulations implement a pro-rata formula based on the proportion of federal funds to total funds received by the candidate. The amount of any repayment sought would then be a similar proportion of the total amount spent on non-qualified campaign expenses. In the case of Presidential primary candidates, the proportion of federal funds certified will be determined as of the candidates date of ineligibility. In the general election, a pro-rata formula will only be used for major party candidates who have received private contributions to make up a deficiency in the Fund and for minor or new party candidates receiving partial Federal funding. The use of such formulas is consistent with the court's opinion, which does not require a mathematically precise determination of the amount of the Federal funds spent improperly but only a reasonable determination of the amount of federal matching funds so used. *Kennedy* slip op. at 7. Moreover, the revisions are limited to repayment determinations under 26 U.S.C. 9007(b)(4) and 9038(b)(2), as those were the only types of repayment determinations addressed in the *Kennedy* and *Reagan* decisions.

To demonstrate how these formulas will operate, the Commission has prepared two examples of hypothetical repayment determinations under 26 U.S.C. 9038(b)(2). Although the examples deal with repayments by Presidential primary candidates, they may be analogized to repayments by general election candidates as the issues presented in both cases are similar. The examples cover hypothetical repayments by candidates in a surplus and in a deficit position.

Illustration No. 1: Surplus Candidate

Assumptions:

Date of ineligibility (DOI): 7/19/84.

Surplus on DOI: $1,000,000.

Matching funds received through DOI: $8,000,000 (net).

Total deposits through DOI: $20,000,000.

Non-qualified campaign expenses incurred pre-DOI: $100,000 (in excess of New Hampshire limit).

Non-qualified campaign expenses incurred post-DOI: $25,000 (purchase of 1984 Corvette).

1. Calculate 26 U.S.C. 9038(b)(3) ratio and determine amount of 26 U.S.C. 9038(b)(3) surplus repayment.

The Audit staff verified the Candidate's NOCO statement (as of 7/19/84) and reach agreement with the Treasurer as to the amount of the surplus at DOI (i.e., $1,000,000). The Audit staff then calculated the 26 U.S.C. 9038(b)(3) ratio using figures developed by reviewing reports and records of the Committee. The ratio calculated was

$$(40\%)\ \frac{\$8,000,000}{\$20,000,000}$$

Applying this ratio (40%) to the verified surplus ($1,000,000)[1], the 26 U.S.C. 9038(b)(3) repayment amount becomes $400,000. Since some estimates (for winding down costs) were used to calculate the surplus, adjustments to the amount repayable may be appropriate as a result of audit fieldwork updates.

2. Calculate 26 U.S.C. 9038(b)(2) ratio and determine amount of 26 U.S.C. 9038(b)(2) repayment for non-qualified campaign expenses.

In order to determine the repayment for $100,000 in expenditures in excess of the New Hampshire state limit, several calculations and adjustments were performed by the Audit staff. First, the ratio had to be calculated. In this case, the Treasurer had workpapers supporting his calculation of the 26 U.S.C. 9038(b)(2) ratio and the Audit staff verified his figures. The Treasurer's ratio was

$$38.7755\%\ \frac{\$7,600,000}{\$19,600,000}$$

The Treasurer reasoned that since $400,000 was to be repaid via the 26 U.S.C. 9038(b)(3) repayment, actual matching funds certified (NET) was equal to matching funds certified through DOI ($8,000,000) less the $400,000 to be repaid. A similar adjustment was made to the denominator. The Audit staff explained that for purposes of calculating the 26 U.S.C. 9038(b)(2) ratio, repayments pursuant to 26 U.S.C. 9038(b)(1) and (b)(3) did not come into consideration.[2] The 26 U.S.C. 9038(b)(2) ratio was calculated to be

$$40\%\ \frac{\$8,000,000}{\$20,000,000}$$

Since the $100,000 ($75,000 paid and $25,000 yet to be paid) were the only non-qualified expenses incurred prior to date of ineligibility, the Audit staff simply multiplied 40% time $100,000 to arrived at the amount ($40,000) repayable pursuant to 26 U.S.C. 9038(b)(2).

With respect to the review of post-DOI disbursements, the Audit staff noted a $25,000 payment for purchase of an automobile made on 8/2/84. It was also noted that the Treasurer had properly: (1) not included this amount for purposes of inclusion in the NOCO statement and (2) considered this expense to have been defrayed with excess campaign funds pursuant to 2 U.S.C. 439a. (The Committee's calculated residual funds after all repayments and qualified expenses were satisfied, amounted to approximately $560,000).

In summary, the total repayment requested would have been as follows:

$$\frac{\$8,000,000}{\$20,000,000} \times \$1,000,000 = \$400,000$$

26 U.S.C. 9038(b)(3):

[1] The Treasurer included $25,000 in accounts payable for expenses chargeable in the New Hampshire limit and arrived at a calculated surplus of $975,000. The Audit staff excluded the $25,000 in accounts payable for non-qualified campaign expenses, thus making the surplus $1,000,000.

[2] There is no adjustment for repayments under 26 U.S.C. 9038 (b)(1) or (b)(3) because the repayment formula for section 9039(b)(2) is based on the amount of funds certified to the candidate and therefore available to defray non-qualified campaign expenses. This is so even if the Commission may later determine that the candidate was not entitled to a portion of the funds or that the candidate had a surplus.

$$\frac{\$8,000,000}{\$20,000,000} \times \$100,000 = \$40,000$$

Total repayment, $440,000.

Illustration No. 2: Deficit Candidate

Assumptions:

Date of ineligibility (DOI): 3/20/84.

Matching Funds Certified Through DOI: $3,000,000.[3]

Total Contributions Deposited Through DOI: $6,000,000.

Amount of Non-Qualified Expenses *incurred* Pre-DOI:

Undocumented	$50,000
Excess Iowa	25,000
Total 26 U.S.C. 9038(b)(2) incurred pre-DOI	75,000

Amount of Non-Qualified Expenses incurred Post-DOI:

Date incurred	Date paid	Amount paid	Non-qualified type
June 1, 1984	July 1, 1984	$20,000	Non-campaign related (Convention expenses)
May 4, 1985	May 4, 1985	5,000	Transfer to National Party
Total post-DOI non-qualified.		25,000	

Amount of Last Matching Fund Payment: $1,750 on 2/5/85.

1. Calculate 26 U.S.C. 9038(b)(2) ratio and resultant repayment amount.

During initial fieldwork, the Audit staff reviewed workpapers prepared by the Treasurer concerning the Committee's NOCO position and 26 U.S.C. 9038(b)(2) repayment situation. The Audit staff verified the Committee's NOCO position (entitlement). Several differences were noted between the Committee Treasurer's calculations and those performed by the Audit staff.

The Treasurer did not include the $300,000 matching payment received on 3/23/84 in computing the 26 U.S.C. 9038(b)(2) ratio. This appeared to be an oversight on the Treasurer's part. The Audit staff pointed out that the 26 U.S.C. 9038(b)(2) ratio (both numerator and denominator) is to include the amount of matching funds *certified* through the date of ineligibility, whether or not received by that date. Hence, the correct ratio for 26 U.S.C. 9038(b)(2) repayment purpose was

$$\frac{\$3,000,000}{\$3,000,000+\$6,000,000} \text{ or } 33.3333\%;$$

not the

$$31.0345\% \text{ or } \frac{\$2,700,000}{\$2,700,000+\$6,000,000}$$

as originally calculated by the Treasurer. Applying the 33.3333% ratio to the amount of non-qualified campaign expenses incurred prior to the date of ineligibility ($75,000), the repayment amount was $25,000.

The Audit staff verified the figures contained on the Treasurer's NOCO workpapers. It was noted that the Treasurer had included $25,000 in non-qualified expenses as a payable on her NOCO statement. This amount represented expenses for materials and services used in February 1984 which had not been paid and are included in the pre-ineligibility non-qualified expenses included above. The Audit staff explained that, if permitted, inclusion of the $25,000 in non-qualified campaign expenses could result in an additional $25,000 in matching fund entitlement.

During the audit fieldwork update, the Audit staff reviewed expenses incurred after the date of ineligibility, the updated NOCO statements submitted, and the liquidation of matching fund payments received after the date of ineligibility. It was noted that the Treasurer included on her NOCO statement, $20,000 in expenses relating to the candidate's and his staff's travel, food and lodging costs at the nominating convention. The Audit staff pointed out two problems with the Treasurer's approach.

First, the $20,000 in convention-related expenses were not valid winding down costs and, therefore, could not be defrayed with matching funds. The Audit staff informed the Treasurer that the $20,000 payment was a non-qualified campaign expense subject to repayment pursuant to 26 U.S.C. 9038(b)(2). The Treasurer agreed.

Second, for the same reasons that the $25,000 in pre-DOI non-qualified campaign expenses could not be included on the NOCO statement, the $20,000 in post-DOI non-qualified campaign expenses also could not be included. Thus, the entitlement as calculated by the Treasurer was reduced by $20,000 [4] and the 26 U.S.C. 9038(b)(2) ratio was applied to the $20,000 which resulted in a repayment amount of $6,666.67 for convention expenses. It should be noted that the $5,000 transfer (dated 5/4/85) was made after all matching funds received had been disposed of and thus, this transfer was considered to have been made using non-federal monies.

The total 26 U.S.C. 9038(b)(2) repayment is $31,666.67, comprised of the following:

Pre-DOI non-qualified campaign expenses ($75,000x33.3333%)	$25,000.00
Post-DOI non-qualified expenses ($20,000X33.3333%)	6,666.67
Total 26 U.S.C. 9038(b)(2) repayment	31,666.67

At the close of follow-up fieldwork, the Treasurer inquired concerning the possible impact of settling a $500,000 debt for $50,000 in the near future. The Audit staff advised her of the Commission's debt settlement procedures and informed the Treasurer that all NOCO statements filed carried this debt at $500,000. Should the debt be settled for less, it was the Commission's policy to recalculate entitlement based on the $50,000 settlement amount, and seek a 26 U.S.C. 9038(b)(1) repayment, if appropriate.

Statutory Authority

26 U.S.C. 9007, 9038

List of Subjects in 11 CFR Parts 9007 and 9038

Campaign funds, Administrative practice and procedure, Political candidates.

PART 9007—[AMENDED]

11 CFR Part 9007 is amended by revising § 9007.2(b)(2)(i), (ii) (B), (C) and (D); and adding (b)(2)(iii) as follows:

§ 9007.2 Repayments.

* * * * *

(b) * * *

(2) * * *

(i) If the Commission determines that any amount of any payment to an eligible candidate from the Fund was used for purposes other than those described in paragraphs (A) through (C) below, it will notify the candidate of the amount so used, and such candidate shall pay to the United States Treasury an amount equal to such amount.

* * * * *

(ii) * * *

(B) Determinations that amounts spent by a candidate, a candidate's authorized committee(s), or agent(s) from the Fund

[3] Actual matching funds received through DOI totaled $2,700,000; however, a certification for $300,000 was approved on 3/18/84, with the resulting payment not received until 3/23/84.

[4] To the extent the candidate's entitlement was inflated by this amount, a repayment determination would also be made under 26 U.S.C. 9038(b)(1).

were not documented in accordance with 11 CFR 9003.5;

(C) Determinations that any portion of the payments made to a candidate from the Fund was expended in violation of State or Federal law; and

(D) Determinations that any portion of the payments made to a candidate from the Fund was used to defray expenses resulting from a violation of State or Federal law, such as the payment of fines or penalties.

(iii) In the case of a candidate who has received contributions pursuant to 11 CFR 9003.3 (b) or (c), the amount of any repayment sought under this section shall bear the same ratio to the total amount determined to have been used for non-qualified campaign expenses as the amount of payments certified to the candidate from the Fund bears to the total amount of deposits of contributions and federal funds, as of December 31 of the Presidential election year.

* * * * *

PART 9038—[AMENDED]

11 CFR Part 9038 is amended by revising § 9038.2(b)(2)(i), adding (b)(2)(iii) and revising (b)(3) as follows:

§ 9038.2 Repayments.

* * * * *

(b) * * *

(2) * * *

(i) The Commission may determine that amounts of any payments made to a candidate from the matching payment account were used for purposes other than those set forth in (b)(2)(i) (A)–(C) of this section:

* * * * *

(iii) The amount of any repayment sought under this section shall bear the same ratio to the total amount determined to have been used for non-qualified campaign expenses as the amount of matching funds certified to the candidate bears to the total amount of deposits of contributions and matching funds, as of the candidate's date of ineligibility.

(3) *Failure to Provide Adequate Documentation.* The Commission may determine that amount(s) spent by the candidate, the candidate's authorized committee(s), or agents were not documented in accordance with 11 CFR 9033.11. The amount of any repayment sought under this section shall be determined by using the formula set forth in 11 CFR 9038.2(b)(2)(iii).

* * * * *

Dated: August 16, 1984.

Lee Ann Elliott,

Chairman.

[FR Doc. 84-22212 Filed 8-21-84; 8:45 am]

BILLING CODE 6715-01-M

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of the Assistant Secretary for Housing—Federal Housing Commissioner

24 CFR Part 1710

[Docket No. N-84-1286; FR-1732]

Guidelines for Exemptions Available Under the Interstate Land Sales Full Disclosure Act; Correction

AGENCY: Office of the Assistant Secretary for Housing, HUD.

ACTION: Notice of Final Guidelines (Interpretive Rule)—correction.

SUMMARY: This document corrects an interpretive rule consisting of guidelines for exemptions under the Interstate Land Sales Full Disclosure Act that appeared in the **Federal Register** of Monday, August 6, 1984 on page 31375 (49 FR 31375). This document corrects the language of issuance to indicate that the Guidelines are Appendix A to Part 1710, to assure that the Guidelines will be codified in the Code of Federal Regulations with that Part—as the preamble to the Guidelines stated was the Department's intent.

FOR FURTHER INFORMATION CONTACT: John L. Brady, Director, Interstate Land Sales Registration Division, 202–755–0502. (This is not a toll-free number.)

On page 31375, third column, the last paragraph, the following words of issuance and heading, "Accordingly, the Exemption Guidelines are published as follows:

Guidelines for Exemptions Available Under the Interstate Land Sales Full Disclosure Act" are corrected to read as follows:

"Accordingly, 24 CFR Part 1710 is amended by adding Appendix A, to read as follows:

Appendix A—Guidelines for Exemptions Available Under the Interstate Land Sales Full Disclosure Act"

Dated: August 17, 1984.

Grady J. Norris,

Assistant General Counsel for Regulations.

[FR Doc. 84-22072 Filed 8-21-84; 8:45 am]

BILLING CODE 4210-27-M

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Parts 1 and 5f

[T.D. 7965]

Income Taxes; Sanctions on Issuers and Holders of Registration-Required Obligations Not in Registered Form

AGENCY: Internal Revenue Service, Treasury.

ACTION: Temporary regulations.

SUMMARY: This document contains temporary regulations relating to the definition of the term "registration-required obligation" with respect to obligations issued to certain foreign persons and the imposition of sanctions on issuers issuing registration-required obligations in bearer form. This document also contains temporary regulations relating to the imposition of sanctions on persons holding registration-required obligations in bearer form. This document removes § 5f.163–1(c) of the existing temporary regulations. Changes to the applicable law were made by the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) and the Tax Reform Act of 1984 (the 1984 Act). These temporary regulations affect issuers and holders of obligations and provide them with guidance needed to comply with the law.

DATES: The temporary regulations under sections 163, 165, and 1287 and the removal of § 5f.163–1(c) are effective with respect to obligations originally issued after September 21, 1984.

FOR FURTHER INFORMATION CONTACT: P. Ann Fishers or Carol T. Doran of the Legislation and Regulations Division, Office of Chief Counsel, Internal Revenue Service, 1111 Constitution Avenue, N.W., Washington, D.C. 20224 (Attention: CC:LR:T) (202–566–3289).

SUPPLEMENTARY INFORMATION:

Background

On November 15, 1982, the **Federal Register** published temporary regulations (26 CFR Part 5f) (47 FR 51361) and proposed regulations (26 CFR Part 1) (47 FR 51414) under section 163 of the Internal Revenue Code of 1954. On September 2, 1983, the **Federal Register** published revisions to proposed amendments to the Income Tax Regulations (26 CFR Part 1) under section 163 and published proposed amendments to the Income Tax Regulations (26 CFR Part 1) under sections 165, and 1232 of the Internal Revenue Code of 1954 (48 FR 39953). The