

(1) *Prior exchanges.* The taxpayer may use a reasonable method to comply with the following prior published guidance to the extent such guidance relates to section 367(b): Notice 88-71 (1988-2 C.B. 374); Notice 89-30 (1989-1 C.B. 670); and Notice 89-79 (1989-2 C.B. 392) (see § 601.601(d)(2) of this chapter). This rule applies to section 367(b) exchanges that occur (or occurred) before February 23, 2000, or, if a taxpayer makes the election described in paragraph (a)(2) of this section, for section 367(b) exchanges that occur (or occurred) before the date described in paragraph (a)(2) of this section. This rule also applies to section 367(b) exchanges and distributions described in paragraph (d) of this section.

(2) *Future exchanges.* Section 367(b) exchanges that occur on or after February 23, 2000, (or, if a taxpayer makes the election described in paragraph (a)(2) of this section, for section 367(b) exchanges that occur on or after the date described in paragraph (a)(2) of this section) are governed by the section 367(b) regulations and, as a result, paragraph (c)(1) of this section shall not apply.

(d) *Effect of removal of attribution rules.* To the extent that the rules under § 7.367(b)-9 and 7.367(b)-10(h) of this chapter, as in effect prior to February 23, 2000 (see 26 CFR part 1, revised as of April 1, 1999), attributed earnings and profits to the stock of a foreign corporation in connection with an exchange described in section 351, 354, 355, or 356 before February 23, 2000, the foreign corporation shall continue to be subject to the rules of § 7.367(b)-12 of this chapter in the event of any subsequent exchanges and distributions with respect to such stock, notwithstanding the fact that such subsequent exchange or distribution occurs on or after the effective date described in paragraph (a) of this section.

§§ 1.367(b)-7 through 1.367(b)-9 [Removed]

Par. 8. Sections 1.367(b)-7 through 1.367(b)-9 are removed.

Par. 9. Section 1.381(b)-1, paragraph (a)(1), the second sentence is amended by removing the reference “7.367(b)-1(e)” and adding “1.367(b)-2(f)” in its place.

PART 7—TEMPORARY INCOME TAX REGULATIONS UNDER THE TAX REFORM ACT OF 1976

Par. 10. The authority citation for part 7 is amended by removing the entries for §§ 7.367(b)-1, 7.367(b)-2, 7.367(b)-3, 7.367(b)-4, 7.367(b)-5, 7.367(b)-6,

7.367(b)-7, 7.367(b)-8, 7.367(b)-9, 7.367(b)-10, 7.367(b)-11, and 7.367(b)-13; and continues to read in part as follows:

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

Par. 11. Sections 7.367(b)-1 through 7.367(b)-11 and 7.367(b)-13 are removed as of February 23, 2000.

Par. 12. Section 7.367(b)-12 is amended by revising paragraph (a) to read as follows:

§ 7.367(b)-12 Subsequent treatment of amounts attributed or included in income (temporary).

(a) *Application.* This section applies to distributions with respect to, or a disposition of, stock—

(1) To which, in connection with an exchange occurring before February 23, 2000, an amount has been attributed pursuant to § 7.367(b)-9 or 7.367(b)-10 (as in effect prior to February 23, 2000; see 26 CFR part 1 revised as of April 1, 1999); or

(2) In respect of which, before February 23, 2000, an amount has been included in income or added to earnings and profits pursuant to § 7.367(b)-7 or 7.367(b)-10 (as in effect prior to February 23, 2000); see 26 CFR part 1 revised as of April 1, 1999).

* * * * *

PART 602—OMB CONTROL NUMBERS UNDER THE PAPERWORK REDUCTION ACT

Par. 13. The authority citation for part 602 continues to read as follows:

Authority: 26 U.S.C. 7805.

Par. 12. In § 602.101, paragraph (b) is amended in the table by adding an entry in numerical order to read as follows:

§ 602.101 OMB Control numbers.

* * * * *

(b) * * *

CFR part or section where identified and described	Current OMB control No.
* * *	* * *
1.367(b)-1	1545-1271
* * *	* * *

John M. Dalrymple,
Acting Deputy Commissioner of Internal Revenue.

Approved: December 22, 1999.

Jonathan Talisman,
Acting Assistant Secretary of the Treasury.
[FR Doc. 00-1377 Filed 1-21-00; 8:45 am]

BILLING CODE 4830-01-U

POSTAL SERVICE

39 CFR Part 111

Barcode Requirements for Special Services Labels

AGENCY: Postal Service.

ACTION: Final rule.

SUMMARY: The Postal Service has redesigned the following special services forms and labels: PS Form 3800, Receipt for Certified Mail; PS Form 3813-P, Receipt for Insured Mail—Domestic—International; PS Form 8099, Receipt for Recorded Delivery; Label 200, Registered Mail; and PS Form 3804, Return Receipt for Merchandise. In addition to the current Optical Character Reader font on the labels, the Postal Service is placing formatted barcodes. The USS-128 Subset A format barcode will be used on all USPS-printed retail labels for insured mail, recorded delivery mail, and registered mail. The USS Code 128 Subset C format will be used on all USPS-printed retail labels for certified mail and return receipt for merchandise. Customer-generated labels for these services will be either USS Code 128 or USS I 2 of 5 barcode format. Vendors and mailers preparing customer-generated labels will be required to comply with these requirements for special service labels by June 10, 2000. This final rule sets forth the new Domestic Mail Manual (DMM) and International Mail Manual (IMM) language.

DATES: Effective January 24, 2000. All parties must comply with this final rule by June 10, 2000.

FOR FURTHER INFORMATION CONTACT: Mary Shriver, (202) 268-6554.

SUPPLEMENTARY INFORMATION: On October 6, 1999, the Postal Service published in the **Federal Register** a proposed rule seeking public comment on a proposal to require barcodes on special services labels. The Postal Service received responses from mailers offering comments, but only on the technical specifications in the proposed rule. Five comments were submitted on label dimensions and sizes, four concerned printing specifics, two expressed uncertainty about the required label stock, nine inquired on barcode specifics, and three sought clarification of compliance procedures. In order to address the highly specific nature of comments received regarding the technical specifications of barcodes for the new special services labels, the Postal Service is responding to each respondent's comments or concerns individually by letter.

This final rule gives notice of classification changes to implement barcoded special services labels. The Postal Service has invested in an information technology infrastructure that includes the capability to scan barcodes upon delivery. To maximize the cost-effectiveness of this infrastructure and to achieve long-standing goals for improved customer information management, the Postal Service has implemented a barcode system for specific special services like the one for Delivery Confirmation and Signature Confirmation services. The affected special services include certified mail, insured mail, recorded delivery mail, registered mail, and return receipt for merchandise. The infrastructure will be used as part of the Postal Service plan to optically scan and electronically store recipient signatures. The new retail label deployment for these special services began in January 2000.

Barcodes on special services labels will be scanned at acceptance and at delivery, and an electronic record will be created for each mailpiece. If the customer is not home to sign for delivery, the carrier will leave a PS Form 3849, Delivery Notification/Reminder/Receipt, to inform the customer that a mailpiece is waiting for pickup at the local office. The barcoded mailpiece will be scanned as an attempted delivery.

Mailers may use either of these special services label options:

- a. USPS-printed forms obtained from a post office at no charge.
- b. Privately printed forms that are nearly identical in design to USPS-printed special services forms (as authorized by USPS). Privately printed barcoded labels must meet the requirements in Publication 109, Special Services Technical Guide.

Vendors or producers of privately printed labels will need to receive certification of their labels from the National Customer Support Center (NCSC), as described in Publication 109. To receive certification, a vendor or label producer must supply for evaluation and approval a sample that includes 20 barcoded labels generated by each printing process or printing device to be used. The sample is sent to: Barcode Certification, National Customer Support Center, 6060 Primacy Parkway Ste 201, Memphis TN 38188-0001.

In the event that barcode print quality falls out of tolerance on privately printed labels after approval has been granted, the vendor or label producer will be contacted by USPS, and an effort will be made to jointly resolve the problem. Should circumstances warrant, the printing and use of mailer-printed labels may be discontinued until a vendor or label producer's printer(s) is re-certified.

Publication 109, Special Services Technical Guide, has been created to provide greater detail for label specifications, barcode symbology, label certification, and service type codes, instead of adding such specifications to the DMM, as proposed October 6, 1999. Publication 109 has been developed to provide mailers with a handbook containing detailed information on how to produce their own special services barcoded labels. Private printers producing special services labels must adhere to the standards set forth by the U.S. Postal Service and found in Publication 109.

For the reasons discussed above, the Postal Service is not amending the DMM with respect to the technical specifications included in the October 6 proposed rule. Instead, the Postal Service hereby adopts the following amendments to the Domestic Mail Manual and International Mail Manual (IMM), which are incorporated by reference in the Code of Federal Regulations (see 39 CFR Part 111).

PART 111—[AMENDED]

1. The authority citation for 39 CFR Part 111 continues to read as follows:

Authority: 5 U.S.C. 552(a), 39 U.S.C. 101, 401, 403, 404, 414, 3001-3011, 3201-3219, 3403-3406, 3621, 3626, 5001.

2. Amend the following sections of the Domestic Mail Manual (DMM) as set forth below:

S SPECIAL SERVICES

* * * * *

S900 Special Postal Services

S910 Security and Accountability

S911 Registered Mail

* * * * *

3.0 MAILING

* * * * *

3.4 Label 200

(Amend 3.4 to include new barcode requirements to read as follows:)

Registered mail must bear a barcoded red Label 200 (see Exhibit 3.4). The label must be placed above the delivery address and to the right of the return address, or to the left of the delivery address on parcels. Any large-volume mailer can obtain Label 200 in rolls of 100.

ER24JA00.000

(Redesignate current 3.5 through 3.9 as 3.6 through 3.10. Insert new 3.5 to read as follows:)

3.5 Privately Printed Label 200

If authorized, a mailer may use a privately printed Label 200, Registered Mail, for domestic mail only. Privately printed labels must be nearly identical in design and color to the USPS form, with a barcode and human-readable numbers that meet USPS specifications in Publication 109. A minimum of three preproduction samples must be submitted to the business mail entry manager serving the mailer's location for review by the mailpiece design analyst. Once approved, the mailer must print sample labels with barcodes to be certified under the technical requirements in Publication 109.

* * * * *
S912 Certified Mail

* * * * *

2.0 MAILING

* * * * *


2.3 Form 3800

(Amend 2.3 to include barcode requirements to read as follows:)

Certified mail must bear a barcoded green Form 3800, Receipt for Certified Mail (see Exhibit 2.3). The label part of the form must be placed above the delivery address and to the right of the return address, or to the left of the delivery address on parcels.

Exhibit 2.3 Certified Mail Label

PLACE STICKER AT TOP OF ENVELOPE
 TO THE RIGHT OF RETURN ADDRESS.
 FOLD AT DOTTED LINE
CERTIFIED MAIL



7099 3220 0004 6088 7513
 7099 3220 0004 6088 7513

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

Article Sent To:

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee <small>(Endorsement Required)</small>		
Restricted Delivery Fee <small>(Endorsement Required)</small>		
Total Postage & Fees	\$	

Name (Please Print Clearly) (To be completed by mailer)

.....
Street, Apt. No.; or PO Box No.

.....
City, State, ZIP+ 4

PS Form 3800, July 1999 See Reverse for Instructions

2.4 Privately Printed Form 3800

(Amend 2.4 by adding requirements for privately printed Form 3800 to read as follows:)

If authorized, a mailer may use a privately printed Form 3800, Receipt for Certified Mail. The privately printed form must be nearly identical in design, color, and fluorescent properties to the USPS form with a barcode and human readable numbers that meet the USPS specifications in Publication 109. A minimum of three preproduction samples must be submitted to the business mail entry manager serving the mailer's location for review by the mailpiece design analyst. Once approved, the mailer must print sample

labels with barcodes to be certified under the technical requirements in Publication 109.

* * * * *

S913 Insured Mail

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2.0 MAILING

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2.3 Markings and Use of Form 3813-P

The treatment of parcels is determined by the insurance amount:

- a. Insured for \$50 or less: Each parcel must be stamped on the address side with an elliptical insured marking as

shown in Exhibit 2.3. This marking must be placed above the delivery address and to the right of the return address.

b. Insured for more than \$50: Each parcel must have barcoded Form 3813-P, Receipt for Insured Mail, shown in Exhibit 2.3, affixed above the delivery address and to the right of the return address. Form 3813-P must not be used for parcels insured for \$50 or less.

c. All insured parcels, regardless of insurance amount, must be postmarked unless a postage meter stamp or permit imprint is used to pay postage.

Exhibit 2.3 Insurance Endorsements, Form 3813-P

Exhibit 2.3 Insurance Endorsements, Form 3813-P



United States Postal Service
INSURED MAIL
DOMESTIC - INTERNATIONAL



VV 015 999 610 US

VV 015 999 610 US

NOTE: To file a claim for damage or loss of contents, the article, container, and packaging must be presented

U.S. Postal Service INSURED MAIL RECEIPT	
Article Sent To:	
Postage \$	<input type="checkbox"/> Fragile <input type="checkbox"/> Liquid
Insurance Fee	<input type="checkbox"/> Perishable
Restricted Delivery (Domestic Only) (Endorsement Required)	Insurance Coverage:
Special Handling	Postmark Here
Return Receipt Fee (Except for Canada) (Endorsement Required)	
Total Postage & Fees \$	
Name (Please Print Clearly - To be completed by mailer)	
Street, Apt. No.; or PO Box No.	
City, State, ZIP+4, Country	
PS Form 3813-P, July 1999 See Reverse for Instructions	

2.4 Privately Printed Form 3813-P

(Amend 2.4 by adding requirements for privately printed Form 3813-P to read as follows:)

If authorized, a mailer may use a privately printed Form 3813-P, Receipt for Insured Mail, for domestic mail only. The privately printed form must be nearly identical in design and color to the USPS form with a barcode and human readable numbers that meet the USPS specifications in Publication 109. A minimum of three preproduction samples must be submitted to the

business mail entry manager serving the mailer's location for review by the mailpiece design analyst. Once approved, the mailer must print sample labels with barcodes to be certified under the technical requirements in Publication 109.

* * * * *

S917 Return Receipt for Merchandise

1.0 BASIC INFORMATION

(Delete 1.4 and 1.5. Renumber 1.6 as 1.4.)

* * * * *

2.0 MAILING

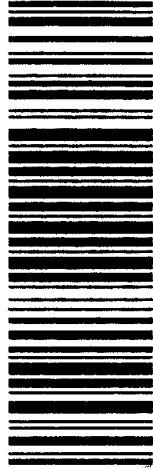
(Add new 2.4 and 2.5. Renumber current 2.4 as 2.6.)

2.4 Form 3804

Return receipt for merchandise mail must bear a barcoded brown Form 3804 (see Exhibit 2.4). The label part of the form and the endorsement "Return Receipt Requested" must be placed above the delivery address and to the right of the return address, or to the left of the delivery address on parcels.

Exhibit 2.4 Return Receipt for Merchandise, Form 3804

RETURN RECEIPT FOR MERCHANDISE



8099 1209 9999 9999 9647

WAIVER OF SIGNATURE
I wish delivery to be made without obtaining signature of the addressee or the addressee's agent. I authorize the delivery employee to sign that the shipment was delivered and understand that the signature of the delivery employee will constitute valid proof of delivery.

CUSTOMER SIGNATURE

8099 1209 9999 9999 9647

U.S. Postal Service
RETURN RECEIPT FOR MERCHANDISE
(Domestic Mail Only; No Insurance Coverage Provided)

Article Sent To:

City, State, ZIP+4, Country

Postage \$	Postmark Here
Return Receipt for Merchandise Fee (Endorsement Required)	
Special Handling Fee	
Total Postage & Fees \$	

Waiver of Signature YES NO

Name (Please Print Clearly) (to be completed by mailer)

Street, Apt. No.: or PO Box No.

PS Form 3804, July 1999 See Reverse for Instructions

2.5 Privately Printed Form 3804

If authorized, a mailer may use a privately printed Form 3804, Return Receipt for Merchandise. The privately printed form must be nearly identical in design and color to the USPS form with a barcode and human readable numbers that meet the USPS specifications in Publication 109. A minimum of three preproduction samples must be submitted to the business mail entry manager serving the mailer's location for review by the mailpiece design analyst. Once approved, the mailer must print sample labels with barcodes to be certified under the technical requirements in Publication 109.

* * * * *

S921 Collect on Delivery (COD) Mail

* * * * *

2.0 COD FORMS

2.1 Availability and Conditions

(Amend 2.1 by adding reference to the barcode requirements to read as follows:)

Mailers must complete barcoded Form 3816, COD Mailing and Delivery Receipt (see Exhibit 2.1), and attach it either above the delivery address and to the right of the return address, or to the left of the delivery address on parcels. If more than three articles are sent at a time, the mailer may use Form 3816-AS, COD Mailing and Delivery Receipt.

(Add new Exhibit 2.1:)

Exhibit 2.1 Form 3816, COD Mailing and Delivery Receipt

(Label will appear in DMM.)

* * * * *

3.0 MAILING

* * * * *

(Amend title of 3.2 to read as follows:)

3.2 Numbering for Large Volumes

(Revise 3.2 to read as follows:)

A mailer who regularly mails a large volume of COD mail must ensure that a unique COD number is used for each article mailed.

PART 20—[AMENDED]

1. The authority citation for 39 CFR part 20 continues to read as follows:

Authority: 5 U.S.C. 552(a); 39 U.S.C. 401, 404, 407, 408.

2. Amend the following sections of the International Mail Manual (IMM) as set forth below:

Chapter 3 Special Services

* * * * *

320 Insurance

* * * * *

324 Processing Requests

324.1 Mailing Receipt and Insurance Number

(Amend heading and text of 324.11 to read as follows:)

324.11 General Use

All international parcels must be numbered. PS Form 3813-P, Receipt for

Insured Mail—Domestic-International (label), provides a numbered insurance label for the parcel and an identically numbered mailing receipt for the sender. The receipt is issued to the sender as proof of mailing and proof of payment of insurance fee. For volume mailers, use PS Form 3877, Firm Mailing Book for Accountable Mail, as sender's receipt. Only labels printed by the Postal Service may be used on international insured mail.

330 Registered Mail

* * * * *

334 Processing Requests

334.1 Mailing Receipt and Registration Number

(Amend heading and text of 334.11 to read as follows:)

334.11 General Use

A receipt is issued for registered mail when it is accepted. For individual transactions, PS Form 3806, Receipt for Registered Mail, is used. When an average of three or more items are presented for registration at one time, PS Form 3877, Firm Mailing Book for Accountable Mail, may be used (see DMM S911.3.8). The registered number is determined by Label 200, Registered Mail, a preprinted, self-adhesive label with a number series of nine digits preceded by a Service Type Code of two alpha characters and followed by the Country Code of two alpha characters "US." Only labels printed by the Postal

Service may be used on international registered mail.

* * * * *

385 Recorded Delivery

* * * * *

385.4 Processing Requests

(Amend heading and text of 385.41 to read as follows:)

385.41 General Use

PS Form 8099, Receipt for Recorded Delivery, is used for recorded delivery. Only labels printed by the Postal Service may be used on recorded delivery mail.

* * * * *

Stanley F. Mires,

Chief Counsel, Legislative.

[FR Doc. 00-1570 Filed 1-21-00; 8:45 am]

BILLING CODE 7710-12-P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 25

[IB Docket No. 96-111; FCC 99-325]

Common Carrier Services: Satellite Communications—Earth Stations Operating with Non-U.S. Licensed Space Stations; Application Requirements

AGENCY: Federal Communications Commission.

ACTION: Final rule; announcement of effective date.

SUMMARY: This document announces the effective date of rules published in the **Federal Register** on November 15, 1999. They related to application requirements for earth stations communicating with non-U.S. licensed space stations.

EFFECTIVE DATES: The amendments to 47 CFR 25.137 published at 64 FR 61791 became effective on December 22, 1999.

FOR FURTHER INFORMATION CONTACT: Steven Spaeth, International Bureau, (202) 418-1539.

SUPPLEMENTARY INFORMATION:

1. On October 29, 1999, the Commission released a First Order on Reconsideration, a summary of which was published in the **Federal Register**. See 64 FR 61791, November 15, 1999.

The First Order on Reconsideration streamlined the process established in the Commission's 1997 DISCO II Order, by which non-U.S. licensed fixed-satellites providing service in the conventional C-and Ku-bands may serve the U.S. market. Because the amendments to 47 CFR 25.137 imposed modified information collection requirements, the amendments could not become effective until approved by the Office of Management and Budget ("OMB"), and no sooner than December 15, 1999. OMB approved these amendments on December 22, 1999.

2. The **Federal Register** summary stated that the Commission would publish a document announcing the effective date of the rule changes requiring OMB approval. The amendments to 47 CFR 25.137 became effective on December 22, 1999. This publication satisfies the statement that the Commission would publish a document announcing the effective date of the rule changes requiring OMB approval.

List of Subjects in 47 CFR Part 25

Satellites.

Federal Communications Commission.

Magalie Roman Salas,

Secretary.

[FR Doc. 00-1619 Filed 1-21-00; 8:45 am]

BILLING CODE 6712-01-P