

(iii) *Results for years 1, 2 and 3.* The results for this example are the same as the results in *Example 1*.

\* \* \* \* \*

(j) \* \* \*

(2) \* \* \*

(iii) *Valuation of economic benefits.* Notwithstanding paragraph (j)(2)(ii) of this section, for taxable years beginning after December 31, 2002, parties to an arrangement described in paragraph (d)(3) of this section may rely on this section only if the value of all economic benefits taken into account by the parties is determined in accordance with paragraph (d)(3)(ii) of this section.

\* \* \* \* \*

**Par. 3.** Section 1.83–6, as proposed on July 9, 2002, at 67 FR 45428, is amended by adding paragraph (a)(5)(ii)(B)(3) to read as follows:

**§ 1.83–6 Deduction by employer.**

(a) \* \* \*

(5) \* \* \*

(ii) \* \* \*

(B) \* \* \*

(3) *Valuation of economic benefits.* Notwithstanding paragraph (a)(5)(ii)(B)(2) of this section, for taxable years beginning after December 31, 2002, parties to an arrangement described in § 1.61–22(d)(3) may rely on this section only if the value of all economic benefits taken into account by the parties is determined in accordance with § 1.61–22(d)(3)(ii).

\* \* \* \* \*

**Par. 4.** Section 1.301–1, as proposed on July 9, 2002, at 67 FR 45428, is amended by adding paragraph (q)(4)(ii)(C) to read as follows:

**§ 1.301–1 Rules applicable with respect to distributions of money and other property.**

\* \* \* \* \*

(q) \* \* \*

(4) \* \* \*

(ii) \* \* \*

(C) *Valuation of economic benefits.* Notwithstanding paragraph (q)(4)(ii)(B) of this section, for taxable years beginning after December 31, 2002, parties to an arrangement described in § 1.61–22(d)(3) may rely on this section only if the value of all economic benefits taken into account by the parties is determined in accordance with § 1.61–22(d)(3)(ii).

\* \* \* \* \*

**David A. Mader,**

*Assistant Deputy Commissioner of Internal Revenue.*

[FR Doc. 03–11568 Filed 5–8–03; 8:45 am]

BILLING CODE 4830–01–P

**DEPARTMENT OF THE TREASURY**

**Internal Revenue Service**

**26 CFR Part 1**

[REG–103580–02]

RIN 1545–BA53

**Noncompensatory Partnership Options**

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Cancellation of notice of public hearing on proposed rulemaking.

**SUMMARY:** This document provides notice of cancellation of a public hearing on proposed regulations relating to the tax treatment of noncompensatory options and convertible instruments issued by a partnership.

**DATES:** The public hearing originally scheduled for Tuesday, May 20, 2003, at 10 a.m., is cancelled.

**FOR FURTHER INFORMATION CONTACT:**

Treena Garrett of the Regulations Unit, Associate Chief Counsel (Procedure and Administration), (202) 622–7180 (not a toll-free number).

**SUPPLEMENTARY INFORMATION:** A notice of proposed rulemaking and notice of public hearing that appeared in the **Federal Register** on Wednesday, January 22, 2003, (68 FR 2930), announced that a public hearing was scheduled for Tuesday, May 20, 2003, at 10 a.m. in room 4718, Internal Revenue Service Building, 1111 Constitution Avenue, NW., Washington, DC. The subject of the public hearing is proposed regulations under sections 704(b), 721, and 761 of the Internal Revenue Code. The public comment period for these proposed regulations expired on Tuesday, April 29, 2003. Outlines of oral comments were due on Tuesday, April 29, 2003.

The notice of proposed rulemaking and notice of public hearing, instructed those interested in testifying at the public hearing to submit a request to speak and an outline of the topics to be addressed. As of Tuesday, May 6, 2003, no one has requested to speak. Therefore, the public hearing scheduled for Tuesday, May 20, 2003, is cancelled.

**LaNita Van Dyke,**

*Acting Chief, Regulations Unit, Associate Chief Counsel (Procedure and Administration).*

[FR Doc. 03–11592 Filed 5–8–03; 8:45 am]

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**DEPARTMENT OF THE TREASURY**

**Alcohol and Tobacco Tax and Trade Bureau**

**27 CFR Parts 4, 5, 7 and 13**

[Notice No. 7; Ref: T.D. ATF–483, ATF Notices No. 954 and No. 964]

RIN 1513–AA46 (Formerly 1512–AC87)

**Organic Claims in Labeling and Advertising of Alcohol Beverages (2002R–288P)**

**AGENCY:** Alcohol and Tobacco Tax and Trade Bureau, Treasury.

**ACTION:** Notice of proposed rulemaking; reopening of comment period.

**SUMMARY:** In response to an industry request, TTB reopens the comment period for ATF Notice No. 954, a notice of proposed rulemaking published in the **Federal Register** on October 8, 2002.

**DATES:** Written comments must be received on or before June 23, 2003.

**ADDRESSES:** You may view copies of the temporary and proposed regulations, the notice of proposed rulemaking, the request for extension, and any comments received on the notice by appointment at the ATF Reference Library, Public and Governmental Affairs, Room 6480, 650 Massachusetts Avenue, NW., Washington, DC 20226, or online under Notice No. 954 at <http://www.ttb.gov/alcohol/rules/index.htm>.

You may send comments to any of the following addresses—

- Chief, Regulations and Procedures Division, Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 50221, Washington, DC 20091–0221 (Attn: Notice No. 954);

- 202–927–8525 (Facsimile);
- [nprm@ttb.treas.gov](mailto:nprm@ttb.treas.gov) (E-mail);
- <http://www.ttb.gov/alcohol/rules/index.htm> (Online—A comment form is available with Notice 954.)

**FOR FURTHER INFORMATION CONTACT:**

James VanVliet, Alcohol and Tobacco Tax and Trade Bureau, Alcohol Labeling and Formulation Division, 650 Massachusetts Avenue, NW., Washington, DC 20226; telephone 202–927–8140; e-mail [James.Vanvliet@ttb.treas.gov](mailto:James.Vanvliet@ttb.treas.gov).

**SUPPLEMENTARY INFORMATION:**

**Background**

On October 8, 2002, the Bureau of Alcohol, Tobacco and Firearms (ATF) published a temporary rule (T.D. ATF–483, 67 FR 62856) to amend the alcohol labeling and advertising rules to cross-reference the United States Department of Agriculture's (USDA) National