

Notices

Federal Register

Vol. 68, No. 107

Wednesday, June 4, 2003

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF AGRICULTURE

Office of the Secretary

Forest Land Enhancement Program; Determination of Primary Purpose of Certain Payments for Federal Tax Purposes

AGENCY: Office of the Secretary, USDA.

ACTION: Notice of determination.

SUMMARY: The Secretary of Agriculture has determined that cost-share payments made to individuals under the Forest Land Enhancement Program (FLEP) are made primarily for the purpose of conserving soil and water resources, protecting or restoring the environment, improving forests, or providing a habitat for wildlife. This determination permits recipients to exclude certain payments under FLEP from gross income for Federal income tax purposes to the extent allowed by the Internal Revenue Service.

DATES: The Secretary's determination was signed May 21, 2003.

ADDRESSES: Questions may be addressed to Hal Brockman, Program Manager, Forest Land Enhancement Program, Cooperative Forestry Staff, Forest Service, USDA, 1400 Independence Avenue, SW., Mail Stop 1123, Washington, DC 20250-1123. A copy of the determination is available upon request. Information about the Forest Land Enhancement Program may also be obtained from the World Wide Web/Internet at <http://www.fs.fed.us/spf/coop/flep.htm>.

FOR FURTHER INFORMATION CONTACT: Hal Brockman, Cooperative Forestry Staff, USDA Forest Service, (202) 205-1694.

SUPPLEMENTARY INFORMATION: Section 126 of the Internal Revenue Code (26 U.S.C. 126, as amended) provides that all or part of payments made to persons under certain cost-sharing programs in 26 U.S.C. (a)(1) through (10) may be excluded from the recipient's gross income for Federal income tax purposes

under two conditions: (1) If the Secretary of Agriculture determines that the payments are made primarily for the purpose of conserving soil and water resources, protecting or restoring the environment, improving forests, or providing a habitat for wildlife (the criteria for making such a determination are set forth in 7 CFR part 14, Determining the Primary Purpose of Certain Payments for Federal Tax Purposes), and (2) If the payments are determined by the Secretary of the Treasury as not increasing substantially the annual income derived from the property.

To make such a determination, the Secretary of Agriculture evaluates a cost-share conservation program based on the criteria set out in 7 CFR part 14. Following a primary purpose determination by the Secretary of Agriculture, the Secretary of the Treasury must determine that payments made under the cost-share conservation program do not substantially increase the annual income derived from the property benefited by the payments.

Therefore, having carefully examined the authorizing legislation for the Forest Land Enhancement Program (FLEP) (Title VIII of the Farm Security and Rural Investment Act of 2002; Pub. L. 107-171) and the planned operating procedures, the Secretary of Agriculture has determined, according to the criteria set forth in 7 CFR part 14, that the cost-share payments for implementing approved practices under FLEP are made primarily for the purpose of conserving soil and water resources, improving forests, protecting and restoring the environment, and providing a habitat for wildlife.

Subject to further determination by the Secretary of the Treasury that payments made under FLEP do not substantially increase the annual income derived from the property benefited by these payments, this determination by the Secretary of Agriculture permits payment recipients to exclude from gross income for Federal income tax purposes, all or part of the cost-share payments made under this program to the extent allowed by the Internal Revenue Service.

Dated: May 21, 2003.

Ann M. Veneman,
Secretary of Agriculture.

[FR Doc. 03-13928 Filed 6-3-03; 8:45 am]

BILLING CODE 3410-11-P

DEPARTMENT OF AGRICULTURE

Office of the Secretary

Texas Oak Wilt Suppression Program; Determination of Primary Purpose of Certain Payments for Federal Tax Purposes

AGENCY: Office of the Secretary, USDA.

ACTION: Notice of determination.

SUMMARY: The Secretary of Agriculture has determined that cost-share payments made to individuals under the State of Texas, Forest Service, Oak Wilt Suppression Program, are made primarily for the purpose of protecting and restoring the environment and improving forests. This determination permits recipients to exclude all or part of certain cost-share payments under this program from gross income for Federal income tax purposes to the extent allowed by the Internal Revenue Service.

DATES: The Secretary's determination was signed on May 22, 2003.

ADDRESSES: Questions may be addressed to Dr. Linda Wang, Texas Forest Service, John B. Connally Bldg., 301 Tarrow, Suite 364, College Station, TX 77840-78796. A copy of the determination is available upon request.

FOR FURTHER INFORMATION CONTACT: Dr. Linda Wang, Texas Forest Service, (979) 458-6650.

SUPPLEMENTARY INFORMATION: Section 126 of the Internal Revenue Code (26 U.S.C. 126, as amended) provides that all or part of certain payments made to persons under State programs may be excluded from the recipient's gross income for Federal income tax purposes under two conditions: (1) If the Secretary of Agriculture determines that the payments are made primarily for the purpose of conserving soil and water resources, protecting or restoring the environment, improving forests, or providing habitat for wildlife (the criteria for making such a determination are set forth in 7 CFR part 14, Determining the Primary Purpose of Certain Payments for Federal Tax Purposes), and (2) If the payments are determined by the Secretary of the Treasury as not increasing substantially the annual income derived from the property.

To make such a determination, the Secretary of Agriculture evaluates a