

TABLE NO. 3.—RESIDUAL FUNCTIONAL CAPACITY: MAXIMUM SUSTAINED WORK CAPABILITY LIMITED TO MEDIUM WORK AS A RESULT OF SEVERE MEDICALLY DETERMINABLE IMPAIRMENT(S)—Continued

Rule	Age	Education	Previous work experience	Decision
203.03 .....	.....do .....	Limited—at least literate and able to communicate in English.	Unskilled .....	Not disabled.
203.04 .....	.....do .....	.....do .....	Skilled or semi-skilled—skills not transferable.	Do.
203.05 .....	.....do .....	Limited or less .....	Skilled or semi-skilled—skills transferable.	Do.
*	*	*	*	*

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## PART 416—SUPPLEMENTAL SECURITY INCOME FOR THE AGED, BLIND, AND DISABLED

### Subpart I—[Amended]

7. The authority citation for subpart I of part 416 continues to read as follows:

**Authority:** Secs. 702(a)(5), 1611, 1614, 1619, 1631(a), (c), and (d)(1), and 1633 of the Social Security Act (42 U.S.C. 902(a)(5), 1382, 1382c, 1382h, 1383(a), (c), and (d)(1), and 1383b); secs. 4(c) and 5, 6(c)–(e), 14(a) and 15, Pub. L. 98–460, 98 Stat. 1794, 1801, 1802, and 1808 (42 U.S.C. 421 note, 423 note, 1382h note).

8. Amend § 416.964 by revising the last sentence of paragraph (b), revising paragraph (b)(1), removing paragraph (b)(5), and redesignating paragraph (b)(6) as paragraph (b)(5), to read as follows:

#### § 416.964 Your education as a vocational factor.

\* \* \* \* \*

(b) *How we evaluate your education.*  
\* \* \* In evaluating your educational level, we use the following categories:

(1) *Illiterate or unable to communicate in English.* We consider an individual to be within the education level of illiterate or unable to communicate in English if he or she is illiterate, or unable to communicate in English, or both.

(i) *Illiterate.* Illiterate means either unable to read in English, unable to write in English, or both. Generally, a person who cannot read or write in English has had little or no formal schooling in English. We consider someone illiterate if he or she either cannot read or cannot write (or both) a simple message, such as instructions or inventory lists in English. If an individual can sign his or her name in English or read or write in another language, this does not mean that we will consider him or her to be literate in English. We will make this decision based on all of the evidence.

(ii) *Inability to communicate in English.* Because the ability to speak and understand English is generally learned or enhanced at school, we consider this as an education factor. Because English is the primary language of this country, it may be more difficult for someone who does not speak English or does not understand English to adjust to other work than it is for someone who can speak and understand English, regardless of the amount of education the person may have in another language. We consider an individual to be unable to communicate in English if he or she either cannot speak English, or cannot understand English, or both.

\* \* \* \* \*

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## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### 26 CFR Part 1

[REG–131997–02]

RIN 1545–BA85

#### Section 42 Carryover and Stacking Rule Amendments

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

**ACTION:** Notice of proposed rulemaking and notice of public hearing.

**SUMMARY:** This document contains proposed regulations that amend several existing regulations concerning the low-income housing tax credit. These proposed regulations primarily reflect changes to the law made by the Community Renewal Tax Relief Act of 2000 and affect owners of low-income housing projects who claim the credit and the State or local housing credit agencies who administer the credit. This document also contains a notice of a public hearing on these proposed regulations.

**DATES:** Written or electronic comments, requests to speak, and outlines of topics to be discussed at the public hearing scheduled for September 23, 2003, must be received by September 5, 2003.

**ADDRESSES:** Send submissions to: CC:PA:RU (REG–131997–02), room 5226, Internal Revenue Service, POB 7604, Ben Franklin Station, Washington, DC 20044. In the alternative, submissions may be hand-delivered Monday through Friday between the hours of 8 a.m. and 5 p.m. to: CC:PA:RU (REG–131997–02), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue, NW., Washington, DC. Alternatively, taxpayers may submit comments electronically directly to the IRS Internet site at <http://www.irs.gov/regs>. The public hearing will be held in room 2615, Internal Revenue Building, 1111 Constitution Avenue, NW., Washington, DC.

**FOR FURTHER INFORMATION CONTACT:** Concerning the regulations, Lauren R. Taylor, (202) 622–3040, or Christopher J. Wilson, (808) 539–2874; concerning submission of comments, the hearing, or to be placed on the building access list to attend the hearing, Guy Traynor, (202) 622–7180 (not toll-free numbers).

#### SUPPLEMENTARY INFORMATION:

##### Background

The Community Renewal Tax Relief Act of 2000 (Pub. L. 106–554) (2000 Act) amended various provisions in section 42 of the Internal Revenue Code (Code), including provisions relating to the time for meeting the 10 percent basis requirement for carryover allocations under section 42(h)(1)(E) and (F), and the order in which housing credit dollar amounts are allocated from the different components of a State's housing credit ceiling under section 42(h)(3)(C). To conform the existing regulations to these changes, the proposed regulations contain amendments to § 1.42–6 (Buildings qualifying for carryover allocations) and § 1.42–14 (Allocation rules for post-1989 State housing credit