

detailed inspection of any affected engine, APU, or component of the engine(s) or APU to determine the cause of the oil contamination per the service bulletin.

(1) If the cause of the oil contamination is found: Except as provided by paragraph (f) of this AD, before further flight, remove any affected engine, APU, or component and replace it with a serviceable part in accordance the service bulletin. Repeat the general visual inspection required by paragraph (b) of this AD at intervals not to exceed 500 flight cycles in accordance with the service bulletin.

(2) If the cause of the oil contamination is not found, repeat the inspection required by paragraph (b) of this AD at intervals not to exceed 50 flight cycles in accordance with the service bulletin.

Note 2: For the purposes of this AD, a detailed inspection is defined as: "An intensive visual examination of a specific structural area, system, installation, or assembly to detect damage, failure, or irregularity. Available lighting is normally supplemented with a direct source of good lighting at intensity deemed appropriate by the inspector. Inspection aids such as mirror, magnifying lenses, etc., may be used. Surface cleaning and elaborate access procedures may be required."

Inspection and Repair Following Air Quality Problems

(e) If any cabin air quality problem, whether intermittent or persistent, is reported that is suspected of being associated with oil contamination of the air supply from the environmental control system packs: Before further flight, perform the detailed inspection and any necessary corrective action required by paragraph (d) of this AD in accordance with the service bulletin.

Continued Operation Without Replacement

(f) Airplanes may be operated without accomplishing the replacement(s) required by paragraph (d)(1) of this AD under the conditions described in paragraphs 2.E.(1), 2.E.(2), and 2.E.(3) of the service bulletin, and in accordance with the provisions and limitations specified in the operator's Master Minimum Equipment List (MMEL). Repeat the inspection required by paragraph (b) of this AD at intervals not to exceed 500 flight cycles in accordance with the service bulletin.

Parts Installation

(g) As of the effective date of this AD, no person may install on any airplane an engine, APU, or component that has been removed per paragraph (d)(1) of this AD, unless it has been cleaned in accordance with paragraph 2.H. of the service bulletin.

No Reporting Requirements

(h) Although the service bulletin referenced in this AD specifies to submit certain information to the manufacturer, this AD does not include such a requirement.

Alternative Methods of Compliance

(i) In accordance with 14 CFR 39.19, the Manager, International Branch, ANM-116, Transport Airplane Directorate, FAA, is

authorized to approve alternative methods of compliance for this AD.

Note 3: The subject of this AD is addressed in British airworthiness directive 002-03-2001, dated March 21, 2001.

Issued in Renton, Washington, on December 12, 2003.

Kevin M. Mullin,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

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DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Parts 20 and 301

[REG-139845-02]

RIN 1545-BB12

Gross Estate; Election to Value on Alternate Valuation Date

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: This document contains proposed regulations relating to the election under section 2032 to value a decedent's gross estate on the alternate valuation date. The proposed regulations reflect a change to the law made by the Deficit Reduction Act of 1984. The proposed regulations affect estates that are required to file Form 706, United States Estate (and Generation-Skipping Transfer) Tax Return.

DATES: Written or electronic comments and requests for a public hearing must be received by March 23, 2004.

ADDRESSES: Send submissions to: CC:PA:LPD:PR (REG-139845-02), room 5203, Internal Revenue Service, POB 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand-delivered between the hours of 8 a.m. and 4 p.m. to: CC:PA:LPD:PR (REG-139845-02), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC. Alternatively, taxpayers may submit electronic comments directly to the IRS Internet site at: <http://www.irs.gov/regs>.

FOR FURTHER INFORMATION CONTACT: Concerning the proposed regulations, Theresa Melchiorre, (202) 622-7830; concerning submissions of comments or to request a hearing, Treena Garrett, (202) 622-3401 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:

Background

As a general rule, section 2031 provides that the value of a decedent's

gross estate is to be determined as of the date of the decedent's death. Section 2032 provides that the executor may elect to value the property on an alternate valuation date. Prior to the enactment of the Deficit Reduction Act of 1984, Public Law 98-369 (98 Stat. 494), section 2032(c) and § 20.2032-1(b) of the Estate Tax Regulations required the election to be made on a timely filed estate tax return, including extensions of time to file actually granted. The Deficit Reduction Act amended section 2032, effective for estates of decedents dying after July 18, 1984, by redesignating section 2032(c) as section 2032(d) and amending section 2032(d) to provide that the election may be made on the estate tax return, whether it is filed timely or late, as long as the return is filed no more than 1 year after the due date, including extensions. Temporary Regulation § 301.9100-6T(b), issued on September 5, 1984, reflects this change to the law and provides a transition rule for estates of decedents dying before July 19, 1984. The temporary regulation, however, also provides that once a return that fails to make the election is filed, the election may not be made on a subsequent return unless the subsequent return is filed by the due date (including extensions) of the original return. This limitation is not found in §§ 301.9100-1 and 301.9100-3 of the Procedure and Administration Regulations that apply to all requests for an extension of time to make an election submitted to the IRS on or after December 31, 1997.

The Deficit Reduction Act of 1984 also added new section 2032(c) that provides that, in the case of estates of decedents dying after July 18, 1984, the election to use the alternate valuation method may be made only if the election results in a reduction in both the value of the gross estate and the actual estate tax liability. The Tax Reform Act of 1986, Public Law 99-514 (100 Stat. 2085), amended section 2032(c)(2) to provide that the election may be made only if the election results in a decrease both in the value of the gross estate and in the sum of the estate tax and generation-skipping transfer tax liability (reduced by credits allowable against these taxes).

Explanation of Provisions

These proposed regulations will amend § 20.2032-1(b) to reflect the change made to section 2032 by the Deficit Reduction Act of 1984. In addition, the proposed regulations, when finalized, will remove temporary regulation § 301.9100-6T(b) of the Procedure and Administration Regulations so that estates that fail to