

unless it displays a valid control number assigned by the Office of Management and Budget.

Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

### Background and Explanation of Provisions

Temporary regulations in the Rules and Regulations section of this issue of the **Federal Register** add a new part 157 to title 26 of the Code of Federal Regulations. The temporary regulations set forth the manner and method of paying the excise tax imposed under section 5891. The text of those regulations also serves as the text of these proposed regulations. The preamble to the temporary regulations explains the amendments.

### Special Analyses

It has been determined that this notice of proposed rulemaking is not a significant regulatory action as defined in Executive Order 12866. Therefore, a regulatory assessment is not required. It also has been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) does not apply to these regulations. Further, it is hereby certified, pursuant to sections 603(a) and 605(b) of the Regulatory Flexibility Act, that the collection of information in these regulations will not have a significant economic impact on a substantial number of small entities. This certification is based upon the expectation that the excise tax imposed by section 5891 of the Code will apply to few structured settlement factoring transactions. Therefore, a Regulatory Flexibility Analysis under the Regulatory Flexibility Act (5 U.S.C. chapter 6) is not required. Pursuant to section 7805(f) of the Internal Revenue Code, this notice of proposed rulemaking will be submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact.

### Comments and Requests for Public Hearing

Before these proposed regulations are adopted as final regulations, consideration will be given to any written comments (a signed original and eight (8) copies) or electronic comments that are submitted timely to the IRS. All comments will be available for public inspection and copying.

A public hearing has been scheduled for June 12, 2003 beginning at 10 a.m. in room 6718 of the Internal Revenue Building, 1111 Constitution Avenue, NW., Washington, DC. Due to building security procedures, visitors will not be admitted beyond the immediate entrance area more than 15 minutes before the hearing starts. For information about having your name placed on the building access list to attend the hearing, see the **FOR FURTHER INFORMATION CONTACT** section of this preamble.

The rules of 26 CFR 601.601(a)(3) apply to the hearing. Persons who wish to present oral comments at the hearing must submit written comments and an outline of the topics to be discussed and the time to be devoted to each topic (signed original and eight (8) copies) by May 22, 2003. A period of 10 minutes will be allotted to each person for making comments. An agenda showing the scheduling of the speakers will be prepared after the deadline for receiving outlines has passed. Copies of the agenda will be available free of charge at the hearing.

### Drafting Information

The principal author of these regulations is Shareen Soltanzadeh Pflanz, Office of Associate Chief Counsel (Income Tax and Accounting). However, other personnel from the IRS and Treasury Department participated in their development.

### List of Subjects

#### 26 CFR Part 157

Excise taxes, Structured Settlement Factoring Transactions, Reporting and recordkeeping requirements.

#### 26 CFR Part 602

Reporting and recordkeeping requirements.

### Proposed Amendments to the Regulations

Accordingly, title 26 of the Code of Federal Regulations is proposed to be amended as follows:

#### SUBCHAPTER D—MISCELLANEOUS EXCISE TAXES

1. A new part 157 is added to read as follows:

### PART 157—EXCISE TAX ON STRUCTURED SETTLEMENT FACTORING TRANSACTIONS

#### Subpart A—Tax on Structured Settlement Factoring Transactions

Sec.

157.5891–1 Imposition of excise tax on structured settlement factoring transactions.

### Subpart B—Procedure and Administration

157.6001–1 Records, statements, and special returns.  
157.6011–1 General requirement of return, statement, or list.  
157.6061–1 Signing of returns and other documents.  
157.6065–1 Verification of returns.  
157.6071–1 Time for filing returns.  
157.6081–1 Extension of time for filing the return.  
157.6091–1 Place for filing returns.  
157.6151–1 Time and place for paying of tax shown on returns.  
157.6161–1 Extension of time for paying tax.  
157.6165–1 Bonds where time to pay tax has been extended.

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

Section 157.6001–1 also issued under 26 U.S.C. 6001.

Section 157.6011–1 also issued under 26 U.S.C. 6011.

Section 157.6061–1 also issued under 26 U.S.C. 6061.

Section 157.6091–1 also issued under 26 U.S.C. 6091.

Section 157.6161–1 also issued under 26 U.S.C. 6161.

### Subpart A—Tax on Structured Settlement Factoring Transactions

#### § 157.5891–1 Imposition of excise tax on structured settlement factoring transactions.

[The text of proposed § 157.5891–1 is the same as the text of § 157.5891–1T published elsewhere in this issue of the **Federal Register**.]

### Subpart B—Procedure and Administration

#### § 157.6001–1 Records, statements, and special returns.

[The text of proposed § 157.6001–1 is the same as the text of § 157.6001–1T published elsewhere in this issue of the **Federal Register**.]

#### § 157.6011–1 General requirement of return, statement, or list.

[The text of proposed § 157.6011–1 is the same as the text of § 157.6011–1T published elsewhere in this issue of the **Federal Register**.]

#### § 157.6061–1 Signing of returns and other documents.

[The text of proposed § 157.6061–1 is the same as the text of § 157.6061–1T published elsewhere in this issue of the **Federal Register**.]

#### § 157.6065–1 Verification of returns.

[The text of proposed § 157.6065–1 is the same as the text of § 157.6065–1T published elsewhere in this issue of the **Federal Register**.]