

ACTION: Final rule; correction.

SUMMARY: The Food and Drug Administration (FDA) is correcting a final rule that appeared in the **Federal Register** of February 15, 1995 (60 FR 8916). The document established that any over-the-counter (OTC) drug product for the prevention of swimmer's ear or for the drying of water-clogged ears is not generally recognized as safe and effective and is misbranded. The document was published with a typographical error in the codified section. This document corrects that error.

EFFECTIVE DATE: August 15, 1995.

FOR FURTHER INFORMATION CONTACT: William E. Gilbertson, Center for Drug Evaluation and Research (HFD-810), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301-594-5000.

In FR Doc. 95-3803, appearing on page 8916, in the **Federal Register** of Wednesday, February 15, 1995, the following correction is made:

§ 310.545 [Corrected]

1. On page 8920, in the third column, under § 310.545, in paragraph (d)(1), in lines 2 and 3, "(a)(1) through (a)(2)(i), (a)(3) through (a)(4)" is corrected to read "(a)(1) through (a)(4)".

Dated: April 24, 1995.

William B. Schultz,

Deputy Commissioner for Policy.

[FR Doc. 95-10542 Filed 4-27-95; 8:45 am]

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DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Parts 1 and 602

[TD 8594]

RIN 1545-AS97

Losses on Small Business Stock

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final regulations.

SUMMARY: This document contains final regulations amending regulations under section 1244 relating to losses on small business stock. The final regulations remove the requirement that a taxpayer claiming a section 1244 ordinary loss file an information statement with the taxpayer's income tax return.

DATES: These regulations are effective April 27, 1995.

For dates of applicability of these regulations, see "Effective Date" under

SUPPLEMENTARY INFORMATION portion of preamble.

FOR FURTHER INFORMATION CONTACT: Kirsten L. Simpson, (202) 622-7790 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Paperwork Reduction Act

The collection of information contained in these final regulations has been reviewed and approved by the Office of Management and Budget in accordance with the Paperwork Reduction Act (44 U.S.C. 3504(h)) under control number 1545-1447. The estimated annual burden per recordkeeper varies from .10 hours to .30 hours, depending on individual circumstances, with an estimated average of .20 hours.

Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be sent to the Internal Revenue Service, Attn: IRS Reports Clearance Officer, PC:FP, Washington, DC 20224, and to the Office of Management and Budget, Attn: Desk Officer for the Department of the Treasury, Office of Information and Regulatory Affairs, Washington, DC 20503.

Background

On November 15, 1994, a notice of proposed rulemaking (CO-46-94), amending regulations under section 1244 of the Internal Revenue Code relating to losses on small business stock, was published in the **Federal Register** (59 FR 58800). No public hearing was requested or held.

One written comment responding to the notice was received. The comment was favorable. The regulations proposed by CO-46-94 are adopted without revision by this Treasury decision.

Explanation of Provision

Section 1.1244(e)-1(b) of the Income Tax Regulations is revised to eliminate the requirement that a taxpayer file an information statement with the taxpayer's income tax return. However, because a taxpayer who claims an ordinary loss under section 1244 still bears the burden of establishing that the deduction is proper, § 1.1244(e)-1(b) is revised to state that a person who claims an ordinary loss with respect to stock under section 1244 must have records sufficient to establish that the taxpayer is entitled to the loss and satisfies the requirements of section 1244.

Effective Date

These regulations are effective for open taxable years beginning after December 31, 1953, the effective date of

Treasury Decision 6495, which prescribed regulations under section 1244.

Special Analyses

It has been determined that this Treasury decision is not a significant regulatory action as defined in EO 12866. Therefore, a regulatory assessment is not required. It has also been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) and the Regulatory Flexibility Act (5 U.S.C. chapter 6) do not apply to these regulations, and, therefore, a Regulatory Flexibility Analysis is not required. Pursuant to section 7805(f) of the Internal Revenue Code, the notice of proposed rulemaking preceding these regulations was submitted to the Small Business Administration for comment on its impact on small business.

Drafting Information

The principal author of these regulations is Kirsten L. Simpson, Office of Assistant Chief Counsel (Corporate), IRS. However, other personnel from the IRS and Treasury Department participated in their development.

List of Subjects

26 CFR Part 1

Income taxes, Reporting and recordkeeping requirements.

26 CFR Part 602

Reporting and recordkeeping requirements.

Adoption of Amendments to the Regulations

Accordingly, 26 CFR parts 1 and 602 are amended as follows:

PART 1—INCOME TAXES

Paragraph 1. The authority citation for part 1 is amended by adding an entry in numerical order to read as follows:

Authority: 26 U.S.C. 7805 * * * Section 1.1244(e)-1 also issued under 26 U.S.C. 1244(e). * * *

Par. 2. Section 1.1244(e)-1 is amended as follows:

1. The section heading is revised.
2. In paragraph (a)(1), the reference in the second sentence to "paragraph (c)(2) of § 1.1244(c)-2" is removed and "§ 1.1244(c)-2(b)(2)" is added in its place.
3. Paragraph (b) is revised.

The revisions read as follows:

§ 1.1244(e)-1 Records to be kept.

* * * * *

(b) *By the taxpayer.* A person who claims an ordinary loss with respect to