

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[PS-76-92; PS-51-93]

RIN 1545-AR48; RIN 1545-AR93

Recognition of Gain or Loss by Contributing Partner on Distribution of Contributing Partner on Other Property; Hearing Cancellation

AGENCY: Internal Revenue Service, Treasury.

ACTION: Cancellation of notice of public hearing on proposed regulations.

SUMMARY: This document provides notice of cancellation of a public hearing on proposed regulations relating to the recognition of gain or loss on certain distributions of contributed property by a partnership. This document also contains proposed regulations relating to the recognition of gain on certain distributions to a contributing partner.

DATES: The public hearing originally scheduled for Monday, June 19, 1995, beginning at 10 a.m. is cancelled.

FOR FURTHER INFORMATION CONTACT: Mike Slaughter of the Regulations Unit, Assistant Chief Counsel (Corporate), (202) 622-7190 (not a toll-free number).

SUPPLEMENTARY INFORMATION: The subject of the public hearing is proposed regulations under section 704(c)(1)(B) of the Internal Revenue Code of 1986, and proposed regulations under section 737. A notice of proposed rulemaking, and public hearing appearing in the **Federal Register** for Monday, January 9, 1995 (60 FR 2352), announced that a public hearing on the proposed regulations would be held on Monday, June 19, 1995, beginning at 10 a.m., in the IRS Auditorium, 7400 Corridor, Internal Revenue Building, 1111 Constitution Avenue, NW., Washington, DC.

The public hearing scheduled for Monday, June 19, 1995, is cancelled.

Jacquelyn B. Burgess,

*Alternate Federal Register Liaison Officer,
Assistant Chief Counsel (Corporate).*

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DEPARTMENT OF LABOR

Office of the Secretary

29 CFR Part 4

RIN: 1215-AA98

Service Contract Act; Labor Standards for Federal Service Contracts

AGENCY: Office of the Secretary, Labor.

ACTION: Notice of proposed rulemaking; request for comments.

SUMMARY: The Department of Labor (DOL) is proposing to delete the requirement in § 4.7 of 29 CFR part 4 that any service contract of the Federal Government in an amount less than \$2,500 that is subject to the McNamara-O'Hara Service Contract Act of 1965, as amended (SCA), must contain a clause specifying that the contractor or any subcontractor shall pay the minimum wage under the Fair Labor Standards Act (FLSA) to employees engaged in the performance of the contract. This proposed revision is being made to conform the regulations to a new class of Federal government purchases established by the Federal Acquisition Streamlining Act of 1994 (FASA). Requirements otherwise applicable to Federal contracting are eliminated for purchases under \$2,500 for the purpose of facilitating the use of government credit cards for the making of low dollar value purchases of supplies and services. The streamlining objectives of the new procurement procedures contemplated by FASA are impeded by contract clause requirements in § 4.7, which were intended for use in contracts awarded traditional procurement procedures.

DATES: Comments are due on or before July 17, 1995.

ADDRESSES: Submit written comments to Maria Echaveste, Administrator, Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Room S-3502, 200 Constitution Avenue, NW, Washington, DC 20210. Commenters who wish to receive notification of receipt of comments are requested to include a self-addressed, stamped post card, or to submit them by certified mail, return receipt requested. As a convenience to commenters, comments may be transmitted by facsimile ("FAX") machine to (202) 219-5122 (this is not a toll-free number). If transmitted by facsimile and a hard copy is also submitted by mail, please indicate on the hard copy that it is a duplicate copy of the facsimile transmission.

FOR FURTHER INFORMATION CONTACT:

Raymond L. Kamrath, Division of Policy and Analysis, Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Room S-3506, 200 Constitution Avenue, NW, Washington, DC 20210; telephone (202) 219-8412. This is not a toll-free number.

SUPPLEMENTARY INFORMATION:**I. Paperwork Reduction Act**

This proposed rule contains no reporting or recordkeeping requirements subject to the Paperwork Reduction Act of 1980 (Pub. L. 96-511). The existing information collection requirements contained in Regulations, 29 CFR part 4 were previously approved by the Office of Management and Budget under OMB control number 1215-0150. The general Fair Labor Standards Act (FLSA) recordkeeping requirements which are restated in Part 4 were approved by the Office of Management and Budget under OMB control number 1215-0017.

II. Background

The Federal Acquisition Streamlining Act of 1994 (Pub. L. 103-355, 108 Stat. 3243) was enacted into law on October 13, 1994. Section 4001 of this Act amends the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)) to establish a "simplified acquisition threshold" of \$100,000. In addition, § 4301 of FASA amends the Office of Federal Procurement Policy Act to establish a new class of purchases referred to as "micro purchases," and a micro purchase threshold of \$2,500. Under this section, among other things, purchases not exceeding \$2,500 are not subject to the Small Business Act reservation requirement, Buy American Act, the requirement to secure competitive quotations, and Federal employees making such purchases are not deemed "procurement officials." The new micro purchase authority, based on a recommendation of The National Performance Review (NPR), facilitates the use of credit cards by Federal agencies on small dollar purchases of supplies and services. For such purchases, the credit card procedure becomes both the method of payment and a method of contracting. Because the inclusion of contract clauses in small purchases hinder implementation of the new micro purchase authority, the Office of Federal Procurement Policy in the Office of Management and Budget asked the Department to review the contract clause requirement in § 4.7 of 29 CFR part 4 for service contracts under \$2,500.