

**ACTION:** Correction to notice of proposed rulemaking.

**SUMMARY:** This document contains corrections to proposed regulations that amend existing regulations issued under sections 6104 and 6110. These regulations clarify rules relating to information that is made available by the IRS for public inspection under section 6104(a) and materials that are made publicly available under section 6110.

**FOR FURTHER INFORMATION CONTACT:** Mary Ellen Keys, (202) 622-4570 (not a toll-free number).

**SUPPLEMENTARY INFORMATION:**

**Background**

The notice of proposed rulemaking (REG-116215-07) that is the subject of these corrections are under sections 6110 and 6104(a) of the Internal Revenue Code.

**Need for Correction**

As published, this notice of proposed rulemaking (REG-116215-07) contains errors that may prove to be misleading and are in need of clarification.

**Correction of Publication**

Accordingly, the notice of proposed rulemaking (REG-116215-07) that was the subject of FR. Doc. E7-15952 is corrected as follows:

1. On page 45394, column 2, in the preamble, under the caption heading “**SUMMARY:**”, line 11 from the bottom of the paragraph, the language “denied or revoked an organization’s tax” is corrected to read “denied or revoked an organization’s tax-”.

2. On page 45394, column 2, in the preamble, under the caption heading “**ADDRESSES:**”, line 2 from the bottom of the column, the language “NW., Washington, DC, or sent” is corrected to read “NW., Washington, DC 20224, or sent”.

3. On page 45394, column 3, in the preamble, under the paragraph heading “Background”, paragraph 2, line 7, the language “tax exempt status from the public” is corrected to read “tax-exempt status from the public”.

4. On page 45395, column 1, in the preamble, line 7 from the bottom of the first paragraph of the column, the language “public. See AOD 2004-02, 2004-29 IRB is corrected to read “See AOD 2004-2, 2004-29 I.R.B.”.

5. On page 45395, column 1, in the preamble, under the paragraph heading “*Explanation of Provisions*”, line 4 from the bottom of paragraph 1, the language “sections 509(a), 4942(j)(3), or 4943(f), is corrected to read “section 509(a), 4942(j)(3), or 4943(f),”.

6. On page 45395, column 2, in the preamble, under the paragraph heading “*Other Changes to the Existing Regulations*”, paragraph 6, line 3, the language “disclose, in response to or anticipation” is corrected to read “in response to or in anticipation”.

7. On page 45395, column 2, in the preamble, under the paragraph heading “*Other Changes to the Existing Regulations*”, paragraph 7, line 5 from the bottom of the column, the language “organizations whose tax exempt status” is corrected to read “organizations whose tax-exempt status”.

**§ 301.6104(a)-1 [Corrected]**

8. On page 45396, column 2, § 301.6104(a)-1(c)(4), line 4, the language “organization described in sections” is corrected to read “organization described in section”.

9. On page 45396, column 3, § 301.6104(a)-1(c)(2), line 4 from the bottom of the paragraph, the language “Procedure 2007-52, 2007-30 IRB 222, is corrected to read “Procedure 2007-52, 2007-30 I.R.B. 222,”.

10. On page 45396, column 3, § 301.6104(a)-1(e)(3), line 4 from the bottom of the paragraph, the language “Procedure 80-27, 1980-1CB 677, and” is corrected to read “Procedure 80-27, 1980-1 C.B. 677, and”.

**La Nita Van Dyke,**

*Branch Chief, Publications and Regulations Branch, Legal Processing Division, Associate Chief Counsel (Procedure and Administration).*

[FR Doc. E7-18990 Filed 9-25-07; 8:45 am]

**BILLING CODE 4830-01-P**

**DEPARTMENT OF LABOR**

**Occupational Safety and Health Administration**

**29 CFR Part 1910**

**Occupational Exposure to Diacetyl and Food Flavorings Containing Diacetyl: Announcement of Stakeholder Meeting**

**AGENCY:** Occupational Safety and Health Administration, Labor.

**ACTION:** Announcement of stakeholder meeting.

**SUMMARY:** The Occupational Safety and Health Administration (OSHA) invites interested parties to participate in or observe an informal stakeholder meeting on Occupational Exposure to Diacetyl and Food Flavorings Containing Diacetyl. This meeting is a continuation of OSHA’s information collection efforts

on Diacetyl and Food Flavorings Containing Diacetyl.

**DATES:** *Stakeholder meeting:* The stakeholder meeting date is October 17, 2007, from 8:30 a.m.–4:30 p.m.

If more than 50 stakeholders register for the stakeholder meeting on October 17, 2007, a second meeting will be scheduled for October 18, 2007, from 8:30 a.m. to 4:30 p.m. If the second meeting is needed on October 18, it will follow the same format and requirements as the first meeting and will be held at the same location. OSHA’s Contractor, Eastern Research Group (ERG), will communicate with stakeholders by telephone or e-mail if a second meeting is scheduled.

*Notice of intention to attend the stakeholder meeting:* You must submit a notice of intention to attend (i.e., to participate or observe) the stakeholder meeting by October 10, 2007.

**ADDRESSES:** *Stakeholder meeting:* The location for the stakeholder meeting is: Crown Plaza Hotel Washington National Airport, 1480 Crystal Drive, Arlington, Virginia 22202.

*Notices of intention to attend the stakeholder meeting:* OSHA’s contractor, ERG, is coordinating the registration, hotel arrangements, and logistics for the meeting. Seating is limited and pre-registration is required. Please include in your notice of intention to attend (i.e., to participate or observe) your full name, affiliation, address, telephone, and e-mail address. You may submit your notice of intention to attend the stakeholder meeting by October 10, 2007 by any of the following methods:

*Electronic:* OSHA encourages you to submit your notice of intention to attend to [meetings@erg.com](mailto:meetings@erg.com) (subject line: Diacetyl Meeting).

*Facsimile:* You may fax your notice of intention to attend to 781-674-2906.

*Telephone:* You may register by phone by calling Eastern Research Group, Inc. at 781-674-7374.

*Regular mail, express delivery, hand delivery, messenger and courier service:* Submit your notice of intention to attend to Laurie Stamatatos, Eastern Research Group, Inc., 110 Hartwell Avenue, Lexington, MA 02421-3136.

*Instructions:* For further information on the stakeholder meeting and submitting notices of intention to attend (i.e., to participate or observe) the stakeholder meeting, see the “Public Participation” heading in the **SUPPLEMENTARY INFORMATION** section of this notice.

This document, non-attributed notes from the stakeholder meeting, as well as news releases and other relevant

information, will also be available on OSHA's Web page at <http://www.osha.gov>.

**FOR FURTHER INFORMATION CONTACT:**

Michael Seymour, Director, OSHA, Office of Physical Hazards, Directorate of Standards and Guidance, Room N-3718, U.S. Department of Labor, 200 Constitution Avenue, NW., Washington, DC 20210; telephone (202) 693-1950.

**SUPPLEMENTARY INFORMATION:**

**Background**

On July 26, 2006, the United Food and Commercial Workers International Union (UFCW) and the International Brotherhood of Teamsters (IBT) petitioned DOL for an Emergency Temporary Standard (ETS) for all employees exposed to diacetyl, a major component in artificial butter flavoring. The petitioners cited evidence from the National Institute for Occupational Safety and Health's (NIOSH) Health Hazard Evaluations (HHE) showing that some employees exposed to butter flavorings developed bronchiolitis obliterans, a debilitating and potentially fatal disease of the small airways in the lung. The petitioners also cited experimental evidence showing that inhalation exposure to artificial butter flavoring vapors and diacetyl damaged tissue lining the nose and airways of rats and mice. Diacetyl and a number of other volatile organic compounds are used to manufacture artificial butter food flavorings. These food flavorings are used by various food manufacturers in a multitude of food products including microwave popcorn, certain bakery goods, and some snack foods.

Most of the available evidence regarding the development of bronchiolitis obliterans among employees exposed to food flavorings containing diacetyl comes from investigations of the microwave popcorn production industry. Bronchiolitis obliterans was first reported in eight former employees of the same microwave popcorn plant. Subsequent HHEs conducted by NIOSH from 2000-2004 at this and other microwave popcorn facilities uncovered additional employees with fixed airway obstruction disease consistent with bronchiolitis obliterans. Employees who routinely poured butter flavoring into heated, open mixing tanks without respiratory protection or operated packaging equipment in the vicinity of the mixing tanks experienced higher than expected rates of certain respiratory symptoms (e.g., chronic cough, shortness of breath upon exertion, wheezing) and airways obstruction. These employees tended to

have the highest exposures to butter flavoring vapors containing diacetyl in the plants. OSHA is not aware of any new cases of serious airways disease consistent with bronchiolitis obliterans among microwave popcorn manufacturing employees since 2003.

Obstructive airway disease compatible with bronchiolitis obliterans has been recognized in other related work settings. There have been at least fifteen cases of this disease identified in the food flavor manufacturing industry. Job history information indicates that the injured employees blended and mixed powder and/or liquid flavorings, including artificial butter flavorings containing diacetyl. Available exposure monitoring shows that air levels of diacetyl and other butter flavoring chemicals during powdered flavoring production were similar to those measured in the mixing areas of microwave popcorn plants where elevated airways disease was found. Efforts are underway to better understand the extent of flavoring-related airways disease in this industry and the exposure levels during high-risk job operations.

Three cases of severe airways obstruction consistent with bronchiolitis obliterans were identified among a group of 102 production process operators who worked at a diacetyl production plant in the Netherlands. Although exposure monitoring at the plant was limited, the available data indicate that diacetyl air levels during certain production tasks were in the range found during mixing operations in microwave popcorn and diacetyl-containing food flavor manufacture. The injured employees are also known to have been exposed to the butter flavoring compounds, acetoin and acetaldehyde, in addition to diacetyl.

There is little information available on the use of food flavorings containing diacetyl in other workplaces. There are likely to be thousands of worksites where such flavorings are used and OSHA is seeking information on the nature of the flavoring formulations used, the processes in which they are used, the extent there is employee exposure, and the use and effectiveness of control measures. It is likely that at least some, if not many, of these workplaces may be using food flavorings in a fashion similar to that seen in microwave popcorn manufacturing. The available evidence for disease in this industry is sparse.

**Stakeholder Meeting**

The stakeholder meeting will be an opportunity for informal discussion and the exchange of data, ideas, and points

of view. To make the stakeholder meeting as productive as possible, OSHA requests that interested parties attending the stakeholder meeting be prepared to discuss the following issues relating to occupational exposure to diacetyl and food flavorings containing diacetyl in their respective industries, occupations, or operations:

- Uses of diacetyl and food flavorings containing diacetyl;
- Approaches to exposure assessment;
- Available exposure data;
- Controls (including substitutes) utilized to minimize exposure to diacetyl and food flavorings containing diacetyl; and
- Medical screening and surveillance.

The stakeholder meeting will begin with OSHA's presentation on Agency perspectives related to occupational exposure to diacetyl and food flavorings containing diacetyl followed by stakeholder questions. OSHA will devote the remainder of the meeting to informal discussions on the topics above and related issues. Meeting participants are not expected to prepare and present formal testimony.

**Public Participation—Submission of Notices of Intention To Attend**

You must submit, by October 10, 2007, a notice of intention to attend if you wish to participate in or observe the stakeholder meeting. You may submit your notice of intention to attend the stakeholder meeting (1) Electronically, (2) by facsimile, (3) by telephone, or (4) by hard copy.

Notices of intention to attend the stakeholder meeting must include the following information:

- Name and contact information;
- Affiliation (e.g., organization, association), if any;
- Whether you wish to be an active participant or observer; and
- Whether you need any special accommodations in order to attend or participate in a stakeholder meeting.

This document, as well as news releases and other relevant information, also are available at OSHA's Web page at <http://www.osha.gov>.

**Authority and Signature**

This notice was prepared under the direction of Edwin G. Foulke, Jr., Assistant Secretary of Labor for Occupational Safety and Health. It is issued under Sections 4 and 8 of the Occupational Safety and Health Act of 1970 (29 U.S.C. 653, 657), and Secretary of Labor's Order No. 5-2007 (72 FR 31160).

Signed at Washington, DC, on this 21st day of September, 2007.

**Edwin G. Foulke, Jr.,**

*Assistant Secretary of Labor for Occupational Safety and Health.*

[FR Doc. E7-19087 Filed 9-25-07; 8:45 am]

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## DEPARTMENT OF THE TREASURY

### Office of the Secretary

#### 31 CFR Part 10

[REG-138637-07]

RIN 1545-BH01

### Regulations Governing Practice Before the Internal Revenue Service

**AGENCY:** Office of the Secretary, Treasury.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** This document contains proposed modifications of the regulations governing practice before the IRS (Circular 230). These proposed regulations affect individuals who practice before the IRS. The proposed amendments modify § 10.34 of Circular 230 relating to standards with respect to tax returns.

**DATES:** Written or electronic comments and requests for a public hearing must be received by October 26, 2007.

**ADDRESSES:** Send submissions to: CC:PA:LPD:PR (REG-138637-07), room 5203, Internal Revenue Service, PO Box 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand delivered Monday through Friday between the hours of 8 a.m. and 4 p.m. to: CC:PA:LPD:PR (REG-138637-07), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue, NW., Washington, DC, or sent electronically via the Federal eRulemaking Portal at <http://www.regulations.gov> (IRS REG-138637-07).

**FOR FURTHER INFORMATION CONTACT:** Concerning the proposed regulations, Matthew S. Cooper at (202) 622-4940; concerning submissions of comments and request for a public hearing, Kelly Banks of the Publications and Regulation Branch at (202) 622-7180 (not toll-free numbers).

#### SUPPLEMENTARY INFORMATION:

##### Background and Explanation of Provisions

This document contains proposed amendments to § 10.34 of Circular 230. Section 330 of title 31 of the United States Code authorizes the Secretary of

the Treasury to regulate the practice of representatives before the Treasury Department. Pursuant to section 330 of title 31, the Secretary has published the regulations in Circular 230 (31 CFR part 10).

On May 25, 2007, the President signed into law the Small Business and Work Opportunity Tax Act of 2007, Public Law 110-28 (121 Stat. 190), which amended several provisions of the Internal Revenue Code to extend the application of the income tax return preparer penalties to all tax return preparers, alter the standards of conduct that must be met to avoid imposition of the penalties for preparing a return that reflects an understatement of liability, and increase applicable penalties. On June 11, 2007, the IRS released Notice 2007-54, 2007-27 IRB 1 (see § 601.601(d)(2)(ii)(b)), providing guidance and transitional relief for the return preparer provisions under section 6694 of the Internal Revenue Code, as recently amended.

Final regulations are, simultaneously to these proposed regulations, being promulgated on September 26, 2007 modifying the general standards of practice before the IRS under Circular 230. Those final regulations finalize the standards with respect to documents, affidavits and other papers as proposed, with modifications. Those final regulations, however, do not finalize the standards with respect to tax returns under § 10.34(a) and the definitions under § 10.34(e) because of the amendments made by the Small Business and Work Opportunity Tax Act of 2007. Rather, the Treasury Department and the IRS are reserving § 10.34(a) and (e) in those final regulations and are simultaneously issuing this notice of proposed rulemaking proposing to amend this part to reflect these recent amendments to the Code.

The Treasury Department and the IRS have determined that the professional standards under § 10.34 of Circular 230 should conform with the civil penalty standards for return preparers. Previously, for example, on June 20, 1994 (59 FR 31523), the regulations were modified to reflect more closely the rules under section 6694 and professional guidelines. The standards with respect to tax returns in § 10.34(a) of these proposed regulations have been amended to reflect changes to section 6694(a) of the Internal Revenue Code made by the Small Business and Work Opportunity Tax Act of 2007.

Under § 10.34(a) of these proposed regulations, a practitioner may not sign a tax return as a preparer unless the practitioner has a reasonable belief that

the tax treatment of each position on the return would more likely than not be sustained on its merits, or there is a reasonable basis for each position and each position is adequately disclosed to the Internal Revenue Service. A practitioner may not advise a client to take a position on a tax return, or prepare the portion of a tax return on which a position is taken, unless: (1) The practitioner has a reasonable belief that the position satisfies the more likely than not standard; or (2) the position has a reasonable basis and is adequately disclosed to the Internal Revenue Service. The definitions of "more likely than not" and "reasonable basis" under § 10.34(e) also are proposed to be amended to reflect these changes in accordance with the well-established definitions of these terms under the section 6662 penalty regulations.

On June 11, 2007, the IRS released Notice 2007-54, 2007-27 IRB 1 (see § 601.601(d)(2)(ii)(b)), providing guidance and transitional relief for the return preparer provisions under section 6694 of the Code, as recently amended. In order to apply § 10.34 of these regulations consistently with the transitional relief under Notice 2007-54, § 10.34(a) and (e) are proposed to apply to returns filed or advice provided on or after the date that final regulations are published in the **Federal Register**, but no earlier than January 1, 2008.

#### Proposed Effective Date

These regulations are proposed to apply to returns filed or advice provided on or after the date that final regulations are published in the **Federal Register**, but no earlier than January 1, 2008.

#### 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 is hereby certified, under the provisions of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), that these regulations will not have a significant economic impact on a substantial number of small entities. Persons authorized to practice have long been required to comply with certain standards of conduct when practicing before the Internal Revenue Service. The general requirements of these regulations are substantially the same as the recent Congressional amendments to section 6694 of the Code by the Small Business and Work Opportunity Act of 2007. Practitioners already enroll in educational seminars or training programs to keep up to date with the