

ten miles to NY-281; continuing south on NY-281 for 20 miles around the western city limits of Cortland where NY-281 becomes NY-13; continuing southwest on NY-13 (through the cities of Dryden and Ithaca) approximately 36 miles to the intersection of NY-224; from this point continue due west one mile to the southern boundary of Schuyler County, continuing west along this county line 20 miles to the community of Meads Creek; north along the Schuyler-Steuben county line four miles to the major east/west power line; west along the power line for eight miles to the intersection of NY-17 (four miles southeast of the community of Bath); northwest on NY-17 approximately nine miles to the intersection of I-390; northwest along I-390 for 21 miles to the intersection of NY-36; north two miles through the community of Dansville to NY-63; northwest on NY-63 approximately 18 miles to the intersection of NY-39, just south of Genesco; north on NY-39 nine miles to the intersection where the west and north/south Conrail lines meet at the community of Avon; north along the north/south Conrail line for 15 miles to the beginning point at the intersection of the Erie Canal.

Signed: July 22, 1982.

Stephen E. Higgins,
Acting Director.

Approved: August 20, 1982.

David Q. Bates,
Deputy Assistant Secretary (Operations).

[FR Doc. 82-23958 Filed 8-31-82; 8:45 am]
BILLING CODE 4810-31-M

27 CFR Part 9

[T.D. ATF-112; Ref: Notice No. 392]

Livermore Valley Viticultural Area

AGENCY: Bureau of Alcohol, Tobacco and Firearms, Treasury.

ACTION: Final rule, Treasury decision.

SUMMARY: This final rule establishes a Viticultural area in Alameda County, California, to be known as "Livermore Valley." The Bureau of Alcohol, Tobacco and Firearms (ATF) believes the establishment of Livermore Valley as a viticultural area and its subsequent use as an appellation of origin on wine labels and in wine advertisements will allow wineries in the area to better designate where their wines come from and will enable consumers to better identify the wines from this area.

EFFECTIVE DATE: October 1, 1982.

FOR FURTHER INFORMATION CONTACT: Robert L. White, Research and Regulations Branch, Bureau of Alcohol,

Tobacco and Firearms, Washington, DC 20226 (202-566-7626).

SUPPLEMENTARY INFORMATION:

Background

On August 23, 1978, ATF published Treasury Decision ATF-53 (43 FR 37672, 54624) revising regulations in 27 CFR Part 4. These regulations allow the establishment of definite viticultural areas. The regulations also allow the name of an approved viticultural area to be used as an appellation of origin on wine labels and in wine advertisements.

On October 2, 1979, ATF published Treasury Decision ATF-60 (44 FR 56692) which added a new Part 9 to 27 CFR, for the listing of approved American viticultural areas.

Section 4.25a(e)(1), Title 27, CFR, defines an American viticultural area as a delimited grape-growing region distinguishable by geographical features. Section 4.25a(e)(2) outlines the procedure for proposing an American viticultural area. Any interested person may petition ATF to establish a grape-growing region as a viticultural area.

Fifteen Livermore Valley vintners and growers petitioned ATF to establish a viticultural area in Alameda County, California, to be named "Livermore Valley."

In response to this petition, ATF published a notice of proposed rulemaking, Notice No. 392, in the Federal Register on October 30, 1981 (46 FR 53688), proposing the establishment of the Livermore Valley viticultural area.

Comments

One comment was received during the comment period. The comment was from one of the wineries located in the Livermore Valley area. The commenter stated that he fully supported the Livermore Valley viticultural area petition. ATF has received no information from any source indicating opposition to the petition.

Evidence of the Name

The name of the area, Livermore Valley, was well documented by the petitioner. After evaluating the petition and the comment received, ATF believes that the Livermore Valley viticultural area has a unique historical identity and that the name "Livermore Valley" is the most appropriate name for the area.

Geographical Evidence

In accordance with 27 CFR 4.25a(e)(2), a viticultural area should possess geographical features which distinguish the viticultural features of the area from surrounding areas.

The petition shows that Livermore Valley is one of the coastal intermountain valleys that surround the San Francisco Bay depression. The valley floor is approximately 15 miles long and 10 miles wide. Starting in the east, the watershed area of Livermore Valley is bounded by the Altamont Hills and Crane Ridge, to the south by Cedar Mountain Ridge and Rocky Ridge, in the west by the Pleasanton Ridge, and in the north by the Black Hills. The valley's geographic location is generally the area covered by the political boundaries of Murray and Pleasanton townships.

Livermore Valley has a moderate coastal climate which is conducive to the growing of grapes, especially the sauterne type grapes and several premium red varieties. The moderate climate is a result of its proximity to the San Francisco Bay and the Pacific Ocean. The cool marine winds and the morning fog are important factors in temperature control during the growing season and in keeping the area relatively frost free during the early spring. The wine grapes grown in Livermore Valley thrive on the cool nights and warmer days. The greatest part of the vineyard acreage is in region III as classified by the University of California at Davis system of heat summation by degree-days. A small portion of the area within Livermore Valley is classified as region II.

The main soil type is the Yolo-Pleasanton associations with the Livermore gravelly and very gravelly series being prominent in the southern portion of the valley.

The elevation where the vineyards are cultivated starts at 650-800 feet above sea level and slopes toward the valley floor to about 450 feet above sea level.

The main streams in the valley are the Arroyo Mocho, Arroyo Del Valle, and the Arroyo Las Positas which are formed by the watershed run-off of the previously named ridges. The drainage pattern is well developed with the streams flowing in a westerly direction. These streams converge about one mile west of the town of Pleasanton and form the Arroyo de la Laguna. This stream in turn joins Alameda Creek and empties into San Francisco Bay.

The average rainfall is 14.45 inches. The rain falls mainly during the winter and early spring. There is little or no precipitation during the summer months.

With the large increase in population in the Livermore Valley over the past twenty years, the water table has been lowered to a point where the vines no longer are able to depend on a constant water supply from that source. Since the completion of the Del Valle Dam and the

filling of the Del Valle Reservoir, both the Arroyo Mocho and Arroyo Del Valle contain water released from the reservoir almost year-round where formerly they were dry by early summer. The South Bay Aqueduct, completed in 1967, provides overhead sprinkler irrigation for some of the vineyards. This type of irrigation is also used for heat suppression and frost protection as well as supplemental watering.

The temperature of Livermore Valley is moderate during the winter and moderately high in the summer. The average high is 72.9 degrees Fahrenheit and the average low is 45.3 degrees Fahrenheit. Temperatures in the summer have exceeded 100 degrees Fahrenheit and the lowest temperature recorded in the winter was 19 degrees Fahrenheit. The extremes rarely last more than a few days before the marine air asserts its normal pattern.

The growing season, March through early November, is long enough to assure crop maturity. The average number of growing days is 254.

After evaluating the petition and comment, ATF has determined that due to the topographic and climatic features of Livermore Valley, it is distinguishable from the surrounding areas.

Boundaries

The boundaries proposed by the petitioner are adopted. ATF believes that these boundaries delineate an area with distinguishable physical and climatic features.

Miscellaneous

ATF does not wish to give the impression by approving the Livermore Valley viticultural area that it is approving or endorsing the quality of the wine from this area. ATF is approving this area as being viticulturally distinct from surrounding areas, not better than other areas. By approving the area, wine producers are allowed to claim a distinction on labels and advertisements as to origin of the grapes. Any commercial advantage gained can only come from consumer acceptance of Livermore Valley wines.

Regulatory Flexibility Act

The provisions of the Regulatory Flexibility Act relating to an initial and final regulatory flexibility analysis (5 U.S.C. 603, 604) are not applicable to this final rule because the final rule will not have a significant economic impact on a substantial number of small entities. The final rule will not impose, or otherwise cause, a significant increase in the reporting, recordkeeping, or other compliance burdens on a substantial

number of small entities. The final rule is not expected to have significant secondary or incidental effects on a substantial number of small entities.

Accordingly, it is hereby certified under the provisions of section 3 of the Regulatory Flexibility Act (5 U.S.C. 605(b)), that this final rule will not have a significant economic impact on a substantial number of small entities.

Executive Order 12291

It has been determined that this final regulation is not a "major rule" within the meaning of Executive Order 12291, 46 FR 13193 (1981), because it will not have an annual effect on the economy of \$100 million or more; it will not result in a major increase in costs or prices for consumers, individual industries, Federal, State or local government agencies, or geographic regions; and it will not have significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

Disclosure

A copy of the petition and comment received are available for inspection during normal business hours at the following location: ATF Reading Room, Room 4405, Office of Public Affairs and Disclosure, 12th and Pennsylvania Avenue NW., Washington, DC.

Drafting Information

The principal author of this document is Robert L. White, Research and Regulations Branch, Bureau of Alcohol, Tobacco and Firearms. However, personnel in other offices of the Bureau have participated in the preparation of this document, both in matters of substance and style.

List of Subjects in 27 CFR Part 9

Administrative practice and procedure, Consumer protection, Viticultural areas, and Wine.

Authority and Issuance

Accordingly, under the authority contained in section 5 of the Federal Alcohol Administration Act (49 Stat. 981, as amended; 27 U.S.C. 205), 27 CFR Part 9 is amended as follows:

PART 9—AMERICAN VITICULTURAL AREAS

Par. 1. The table of sections in 27 CFR Part 9, Subpart C, is amended to include the title of § 9.46. As amended, the table of sections reads as follows:

Subpart C—Approved American Viticultural Areas

Sec.

* * * * *

9.46 Livermore Valley.

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Par. 2. Subpart C is amended by adding § 9.46. As amended, Subpart C reads as follows:

Subpart C—Approved American Viticultural Areas

* * * * *

§ 9.46 Livermore Valley.

(a) *Name.* The name of the viticultural area described in this section is "Livermore Valley."

(b) *Approved maps.* The appropriate maps for determining the boundaries of the Livermore Valley viticultural area are seven U.S.G.S. maps. They are titled:

(1) "Dublin Quadrangle, California," 7.5 minute series (1980);

(2) "Livermore Quadrangle, California," 7.5 minute series (1973);

(3) "La Costa Valley Quadrangle, California—Alameda Co.," 7.5 minute series (1968);

(4) "Mendenhall Springs Quadrangle, California—Alameda Co.," 7.5 minute series (1971);

(5) "Altamont Quadrangle, California—Alameda Co.," 7.5 minute series (1968);

(6) "Byron Hot Springs Quadrangle, California," 7.5 minute series (1968);

(7) "Tassajara Quadrangle, California," 7.5 minute series (1968);

(c) *Boundaries.* The Livermore Valley viticultural area is located in Alameda County, California. The beginning point is Bench Mark (BM) 425 located along the Alameda County/Contra Costa County line in the top portion of U.S.G.S. map "Dublin Quadrangle."

(1) From the beginning point, the boundary runs in a southeasterly direction along an unnamed road which crosses Interstate 580 and turns into Foothill Road;

(2) Thence continuing along Foothill Road in a southeasterly direction to the intersection of Castlewood Drive which is located directly east of the Castlewood Country Club;

(3) Thence east on Castlewood Drive to Bench Mark (BM) 333;

(4) Thence in a straight line in a southeasterly direction to VABM Vern (1264) located on U.S.G.S. map "Livermore Quadrangle";

(5) Thence continuing in a southeasterly direction in a straight line to Bench Mark (BM) 580, located in the northeast corner of U.S.G.S. map "La Costa Valley Quadrangle";

(6) Thence in a straight line in a southeasterly direction to the northeast corner of Section 15, located in the northwest portion of U.S.G.S. map "Mendenhall Springs Quadrangle";

(7) Thence south to the southeast corner of Section 15, then east on the south border of Section 14, then south along the west boundary of Section 24;

(8) Thence east on the south border of Sections 24 and 19 to the southwest corner of Section 20;

(9) Thence north along the east boundaries of Sections 19, 18, 7, 6, 31, 30, 19, 18, 7, 6, 31, 30, 19 and 18 located on U.S.G.S. maps "Mendenhall Springs Quadrangle," "Altamont Quadrangle," and "Byron Hot Springs Quadrangle";

(10) Thence west along the northern boundaries of Sections 18, 13, 14, 15, and 16 to where the northern boundary line of Section 16 intersects with the Alameda County/Contra Costa County line, located in the southeast corner of U.S.G.S. map "Tassajara Quadrangle";

(11) Thence in a southwesterly direction along the Alameda County/Contra Costa County line to the point of beginning.

Signed: July 22, 1982.

Stephen E. Higgins,
Acting Director.

Approved: August 20, 1982.

David Q. Bates,
Deputy Assistant Secretary (Operations).

[FR Doc. 82-23963 Filed 8-31-82; 9:45 am]

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27 CFR Parts 19, 240, 245, 270 and 285 (T.D. ATF-111)

Disposition of Tax Returns for the Payment of Alcohol and Tobacco Products Excise Taxes

AGENCY: Bureau of Alcohol, Tobacco and Firearms (ATF), Treasury.

ACTION: Final rule (Treasury decision).

SUMMARY: This final rule amends regulations with respect to the filing and processing of tax returns for the payment of alcohol and tobacco products excise taxes. These amendments will lessen the paperwork burden on the alcohol and tobacco products excise taxpayers by reducing the number of copies of tax returns to be filed. Moreover, the function of maintaining the original excise tax return is now the sole responsibility of ATF.

The procedural changes mentioned herein impact the instructions on all distilled spirits, wine, malt beverages, and tobacco products excise tax returns.

DATED: September 1, 1982

FOR FURTHER INFORMATION CONTACT: John A. Linticum at 202-566-7602 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Policy

The regulations are being amended to limit the filing and processing of excise tax returns to one original tax return in order (1) to minimize the Federal paperwork burden on the alcohol and tobacco products excise taxpayers and (2) to minimize the cost to the Federal Government of processing these excise tax returns.

Background

All alcohol and tobacco products excise taxes shall be collected by return as provided in 26 U.S.C. 5061 and 5703. The tax returns covering alcohol and tobacco products excise taxes are filed with the Internal Revenue Service (IRS) which performs a cashier function and transmits evidence of taxpayment to ATF. The regulations in 27 CFR Chapter I and the forms prescribed therein reflect these requirements.

Objectives

Prior to this final rule, all alcohol and tobacco products excise taxpayers were required to prepare and submit multiple copies of a tax return form as specified in the instructions on the tax return form. Taxpayers were also required (1) to file a copy of each tax return with the regional regulatory administrator at the same time the original was filed with IRS and (2) to retain on the premises a receipted copy from IRS of all tax returns.

Now only the original tax return form is to be submitted to IRS in accordance with the instructions on the tax return form. IRS is to forward to ATF the original tax return with full receipt data. A taxpayer, however, is required still to retain a true copy of the tax return filed with IRS (refer to 27 CFR 19.741(a)(4), 240.924, 245.232, 270.185, and 285.31). It is suggested that, since the procedure of receiving automatically a receipted copy of a tax return from IRS has been discontinued, the taxpayer should retain proof of taxpayment (e.g., canceled checks) and evidence that the tax return was filed on or before the due date. The taxpayer, however, can request from IRS a receipt for taxes paid (26 U.S.C. 6314).

Amendments to the Regulations

1. The amendment to 27 CFR Part 19 (Distilled Spirits Plants) is as follows: The provisions of § 19.524, relating to filing procedures of tax returns and to the mailing and delivering of tax returns, are being edited for better readability.

2. Amendments to 27 CFR Part 240 (Wine) are as follows: Paragraph (a) of § 240.594 is amended by changing the phrase "to the district director" to read "to the district director or the director of the service center in accordance with the instructions on the form." The wine proprietor in § 240.901 will no longer be required to prepare multiple copies of Form 2050¹ and to forward a copy to the regional regulatory administrator at the same time he is required to file Form 2050 with the IRS. Moreover, the last sentence in this section is revised to read "As instructed on the form, Form 2050 shall be prepared and filed with the Internal Revenue Service as provided in § 240.591 or in § 240.591a." In paragraphs (a) and (b) of § 240.902, the wording, or facsimile thereof, "at the same time, a copy of Form 2052 shall be forwarded to the regional regulatory administrator" is removed. In paragraph (a) of § 240.902, the provision relating to the delivery or deposit in the U.S. mail of Form 2050 is being removed in favor of cross-referencing to § 240.594(a) where a similar provision already exists.

3. Amendments to 27 CFR Part 245 (Beer) are as follows: In paragraph (b)(2) of § 245.117d, the words "or forwarding a copy [of Form 2034 (5130.7)] to the regional regulatory administrator" are removed. Paragraph (b)(3) of this section is amended by changing the phrase "properly addressed to the district director, director of the service center, or the regional regulatory administrator, as the case may be" to read "properly addressed to the district director or the director of the service center in accordance with the instructions on the tax return". In § 245.227, the provision to file the tax return copy returned to the proprietor by the director of the service center or the district director as part of the proprietor's records at the brewery is removed.

4. Amendments to 27 CFR Part 270 (Manufacture of Cigars and Cigarettes) are as follows: In paragraph (a) of 27 CFR 270.162, the provisions are removed which require a manufacturer of tobacco products to send a copy of Form 3071 to the regional regulatory administrator and to retain the receipt copy of each tax return transmitted to him by the district director or the director of the service center. The IRS no longer will transmit automatically to the taxpayer a receipted copy of Form 3071. Moreover, the second sentence in this paragraph is changed to read "The return shall be filed with the district director or the director of the service center in

¹ Reference in § 240.901 to Form 2052 was a clerical error; the correct form number 2050.

accordance with the instructions on the form"; in the fifth sentence, the requirement to submit in duplicate a letter to seek authorization not to file a tax return for which tax is not due or payable during a return period is reduced to one letter and no copy; and the fourth sentence is removed. Section 270.165(c) is amended by changing the clause "When the manufacturer sends the tax return by U.S. mail with remittance to the director or the district director or without remittance to the director of the service center," to read "When the manufacturer sends the tax return with or without remittance by U.S. mail to the district director or the director of the service center in accordance with the instructions on the form,". In paragraph (a) of § 270.167, the requirement to file Form 2617 in triplicate with the district director of the district in which the factory is located is modified to require that only an original Form 2617 is to be filed with the district director or the director of the service center in accordance with the instructions on the form. Furthermore, the requirement to retain the receipted copy of each prepayment return transmitted by the district director is removed. The third sentence of paragraph (a) of this same section is changed by requiring that the return be filed with the district director or the director of the service center in accordance with the instructions on the form.

5. The amendments to 27 CFR Part 285 (Manufacture of Cigarette Papers and Tubes) are as follows: In § 285.25, a manufacturer of cigarette papers and tubes is no longer required to prepare a tax return on Form 2137 in triplicate and to expect a receipted copy from the district director because these provisions are removed. Also, instead of stating that the tax return shall be filed with the district director of the internal revenue district in which the factory is located, the first sentence is modified to state that the tax return shall be filed with the district director or the director of the service center in accordance with the instructions on the form.

Amendments to Other Regulatory Documents

Although not encompassed in the amendatory text of this final rule, all alcohol and tobacco products excise taxpayers are to disregard any instructions or items in regulatory documents, indicating substantially (1) that IRS will return one stamped (receipted) copy of the tax return to the taxpayer and (2) that copies in excess of an original tax return form shall be prepared and submitted to the district

director, director of the service center, or a designated ATF officer, as the case may be. Toward this purpose, the following regulatory documents will be revised accordingly:

1. ATF F 5110.32, Prepayment Return—Distilled Spirits Tax.
2. ATF F 5110.35, Distilled Spirits Tax Return—Deferred Payment.
3. ATF F 2050 (5120.27), Wine Tax Return.
4. ATF F 2052, Prepayment Return—Wine Tax.
5. ATF F 2034 (5130.7), Beer Tax Return.
6. ATF F 3071 (5210.7), Tax Return—Manufacturer of Tobacco Products.
7. ATF F 2617 (5210.11), Prepayment Tax Return—Manufacturer of Tobacco Products.
8. ATF F 2137 (5230.1), Monthly Tax Return—Manufacturer of Cigarette Papers and Tubes.

Compliance with Executive Order 12291

This final rule is not classified as a "major rule" under the terms of Executive Order 12291, because this final rule will not result in an annual effect on the economy of 100 million dollars or more, will not result in a major increased cost to the public or private sector, and will not create a significant adverse effect on competition.

Regulatory Flexibility Act

The provisions of the Regulatory Flexibility Act (5 U.S.C. 603 and 604), relating to a regulatory flexibility analysis, are not applicable, because neither 5 U.S.C. 553 nor any other law requires the publication of a notice of proposed rulemaking for this final rule.

List of Subjects

27 CFR Part 19

Administrative practice and procedure, Alcohol and alcoholic beverages, Authority delegations, Claims, Chemicals, Custom duties and inspection, Electronic fund transfers, Excise taxes, Exports, Gasohol, Imports, Labeling, Liquors, Packaging and containers, Reporting requirements, Research and security measures, Spices and flavorings, Surety bonds, Transportation, U.S. possessions, Warehouses, Wine.

27 CFR Part 240

Administrative practice and procedure, Authority delegations, Claims, Electronic fund transfers, Excise taxes, Exports, Food additives, Fruit juices, Labeling, Liquors, Packaging and containers, Reporting requirements, Research, Scientific equipment, Spices

and flavorings, Surety bonds, Transportation, Vinegar, Warehouses, Wine.

27 CFR Part 245

Administrative practice and procedure, Authority delegations, Beer, Claims, Electronic fund transfers, Excise taxes, Labeling, Packaging and containers, Reporting requirements, Research, Surety bonds, Transportation.

27 CFR Part 270

Administrative practice and procedure, Authority delegations, Cigars and cigarettes, Claims, Electronic fund transfers, Excise taxes, Labeling, Packaging and containers, Penalties, Reporting requirements, Seizures and forfeitures, Surety bonds, U.S. possessions, Warehouses.

27 CFR Part 285

Administrative practice and procedures, Authority delegations, Cigarette papers and tubes, Cigars and cigarettes, Claims, Customs duties and inspection, Excise taxes, Packaging and containers, Penalties, Seizures and forfeitures, Surety bonds, Reporting requirements.

Drafting Information

The principal author of this final rule is Armida N. Stickney of the Research and Regulations Branch of ATF. Other personnel of ATF and of the Department of the Treasury participated in developing this final rule, both as to matters of substance and style.

Notice of Public Procedure

Because this amendment involves a matter of internal agency practice and procedure and merely simplifies agency procedure by discontinuing the requirement for copies of various forms no longer needed, it is unnecessary to issue this Treasury decision with notice and public procedure under 5 U.S.C. 553(b). Furthermore, since this paperwork burden on the regulated industry should be eliminated as soon as possible, the effective date limitation of 5 U.S.C. 553(d) is found to be unnecessary and contrary to the public interest.

Authority and Issuance

This Treasury decision is issued under the authority of 26 U.S.C. 7805 (68A Stat. 917, as amended). Accordingly, 27 CFR Parts 19, 240, 245, 270, and 285 are amended as indicated below.