

## DEPARTMENT OF THE TREASURY

## Internal Revenue Service

## 26 CFR Part 301

[T.D. 8325]

RIN 1545-AP26

**Determination of Rate of Interest-Increase in Rate of Interest Payable on Large Corporate Underpayments; Correction****AGENCY:** Internal Revenue Service, Treasury.**ACTION:** Correction to temporary regulations.

**SUMMARY:** This document contains corrections to temporary regulations under section 6621(c), which were published in the *Federal Register* for Wednesday, December 19, 1990 (55 FR 52042). These temporary regulations relate to an increase in the rate of interest payable on large corporate underpayments.

**FOR FURTHER INFORMATION CONTACT:** P. Val Strehlow 202-377-9586 or David Schneider, 202-566-6438 (not toll-free numbers).

**SUPPLEMENTARY INFORMATION:****Background**

The temporary regulations that are the subject of these corrections affect certain corporations and are necessary to provide them with guidance needed to comply with the changes made by the Omnibus Budget Reconciliation Act of 1990.

**Need for Correction**

As published, the temporary regulations contain errors which may prove to be misleading and are need of clarification.

**Correction of Publication**

Accordingly, the publication of the temporary regulations which was the subject of FR Doc. 90-29703, is corrected as follows:

1. In the preamble, on page 52043, second column, the paragraph preceding the heading "Applicable Date—Amount Shown As Due" (middle of column), line 3, the language "before January 1, 1990, can make a" is corrected to read "before January 1, 1991, can make a".

**§ 301.6621-3T [Corrected]**

2. On page 52045, second column, in § 301.6621-3T(d), under Example 3(i), second line from bottom of that paragraph, the language "district court for refund of the amounts" is corrected to read "district court for the amounts".

**§ 301.6621-3T [Corrected]**

3. On page 52045, third column, in § 301.6621-3T(d), under Example 4(v), line 5, the date "June 1, 1990," is corrected to read "May 31, 1990,".

**§ 301.6621-3T [Corrected]**

4. On page 52046, first column, in § 301.6621-3T(d), under Example 6(ii), lines 2, 4, and 5, the year "1985" is corrected to read "1986" in three locations.

**§ 301.6621-3T [Corrected]**

5. On page 52046, first column, in § 301.6621-3T(d), under Example 6(iv), line 1, the language "From March 15, 1990, to December 31," is corrected to read "From March 16, 1987, to December 31,".

Dale D. Goode,

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

[FR Doc. 91-1438 Filed 1-22-91; 8:45 am]

BILLING CODE 4830-01-M

**Bureau of Alcohol, Tobacco and Firearms****27 CFR Part 9**

[T.D. ATF-310; RE: Notice No. 704]

RIN 1512-AA07

**The Rogue Valley Viticultural Area (89F-458P)****AGENCY:** Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury.**ACTION:** Final rule, Treasury decision.

**SUMMARY:** This final rule establishes a viticultural area known as Rogue Valley which is located in Jackson and Josephine Counties of southwest Oregon. The petition was submitted by Mr. David R. Beaudry, a grape grower in Jackson County, Oregon. The establishment of viticultural areas and the subsequent use of viticultural area names in wine labeling and advertising allows wineries to designate the specific areas where the grapes used to make their wines were grown and enables consumers to better identify wines they purchase.

**EFFECTIVE DATE:** February 22, 1991.

**FOR FURTHER INFORMATION CONTACT:** Robert White, Wine and Beer Branch, Bureau of Alcohol, Tobacco and Firearms, Ariel Rios Federal Building, 1200 Pennsylvania Avenue, NW., 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 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 in American viticultural area as a delimited grape-growing region distinguishable by geographical features, the boundaries of which have been delineated in subpart C of part 9. 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.

**Petition**

By letter dated August 29, 1989, Mr. David R. Beaudry, a grape grower in Jackson County, Oregon, filed a petition for establishment of a "Rogue Valley" viticultural area in Jackson and Josephine Counties, Oregon. This viticultural area is located in the southwestern part of the State. There are seven wineries and 49 vineyards located within the Rogue Valley area, with approximately 400 acres of wine grapes. In response to Mr. Beaudry's petition, ATF published a notice of proposed rulemaking, Notice No. 704, in the *Federal Register* on July 5, 1990 (55 FR 27654), proposing the establishment of the Rogue Valley viticultural area.

**Comments**

ATF received three comments during the 45-day comment period which ended on August 20, 1990. All three comments fully supported the Rogue Valley viticultural area as proposed in Notice No. 704.

**General Information**

The beginning of viticulture in the Rogue Valley can be traced to Peter Britt, who secured cuttings from the mission grapevines of California and by 1858 was making the first wine in the Oregon Territory. He eventually experimented with more than 200 varieties of grapes, ranging for advice as far as the German Wine Growers Association on the Rhine. By 1880 his 15-acre vineyard was producing up to 3,000 gallons a year. Records show that he made a very popular claret, along

with muscatel, schiller, zinfandel and port. (Photographer of a Frontier, the Photographs of Peter Britt by Alan Clark Miller). Mr. Miller reports that Britt's vineyard was located near Jacksonville west of Medford. The winery operation was called Valley View Vineyards. Today the name Valley View Vineyards is used by the Rogue Valley's first post-Prohibition winery, which is located near the town of Ruch south of Jacksonville.

Farmers at Ashland in southwestern Oregon grew vinifera table grapes and were shipping Flame Tokays to market before the Tokay industry developed at Lodi in California. In 1880, when the special national census of winegrowing was taken, Jackson County was listed as producing 15,000 gallons of wine. (*The Wines of America* by Leon D. Adams).

In 1884, A.G. Walling published his *History of Southern Oregon*, in which he refers to sixty or seventy acres of vineyards, located mainly near Jacksonville, which produced several thousand gallons of wine annually. The *Rogue River Courier* newspaper, in 1905, reported the visit of Mr. A.H. Carson, the largest grape grower in Oregon, to Grants Pass. The newspaper reported that Mr. Carson's 31 acres of vineyards produced Tokay, Emperor and Black Ferrera grapes. His vineyard was located on the Applegate River in the Missouri Flat district of Josephine County.

#### Viticultural Area Name

The name "Rogue Valley" is the name used in both academic and consumer-oriented wine and viticultural books to refer to the sections of Jackson and Josephine Counties where grapes are grown. *The Wines of America* by Leon Adams, *The History of Southern Oregon* by A.G. Walling, and *Touring the Wine Country of Oregon* by Ronald and Glenda Holden all make considerable mention of viticulture in the Rogue Valley. The Rogue Valley in 1976 became one of three appellations of origin which were approved for use on Oregon wines by the Oregon Liquor Control Commission. Locally in southwestern Oregon, the names "Rogue Valley" and "Rogue River Valley" are used synonymously to describe the lands drained by the Rogue River and its many tributaries. These lands are entirely within southwestern Oregon and make up portions of Jackson, Josephine and northern Curry Counties. The viticultural area has been narrowed, however, to include only portions of Jackson and Josephine Counties and to exclude Curry County altogether. The basis for this limitation is the philosophy that the Rogue Valley viticultural area

should include only those areas which have a current or past history of winegrape production. The principal cities within the Rogue Valley of Oregon are Ashland, Medford, and Grants Pass. The name "Rogue Valley" is frequently used in the names of commercial, governmental, and charitable organizations in the region. At the national level, the name "Rogue Valley" is widely identified with the sport fishing industry on the Rogue River and with the pear orchards and pear packing companies of the region. The Rogue Valley has been identified as the third largest pear growing area in the nation by Clifford B. Cordy in his *History of the Rogue Valley Fruit Industry*.

#### Historical/Current Evidence of Boundaries

All the past and present commercial grape-growing areas of the region are located on the low elevation land along the watercourses of the Rogue River and its tributaries. Today, viable commercial vineyards are found at or near the communities of Ashland, Talent, Medford, White City, Eagle Point, Central Point, Ruch, Rogue River, Grants Pass, Applegate, Murphy, Selma, Cave Junction, and Holland, all of which are located along the Rogue River and its tributaries.

The Rogue Valley is completely surrounded by three mountain ranges. At the northern and western boundaries of the Rogue Valley, the Siskiyou and Oregon Coast Ranges form a barrier. These ranges also form an effective dividing line geographically from the Umpqua Valley viticultural area to the north in Douglas County. To the south, the Siskiyou Mountains separate the Rogue Valley from the Klamath River Valley in northern California. In the east, the Cascade Mountains serve as a partition between the Rogue Valley and the Klamath River Basin in Klamath County, Oregon.

The main tributaries of the Rogue River are: (1) Bear Creek which drains Medford, Ashland, and surrounding smaller communities, (2) the Applegate River which drains the south central part of the Valley, Jacksonville and the south Grants Pass area, (3) Evans Creek which drains Rogue River City, Wimer and the north central part of the Valley, and (4) the Illinois River which drains Holland, Cave Junction, Selma and the southwestern portion of the Valley, and which merges with the Rogue River at the town of Agness in Curry County. There are also many more small creeks and water systems which feed the Rogue River and its main tributaries.

#### Geographical Features

The Rogue Valley is unique in Oregon viticulture in two respects: (1) The climate is warmer than anywhere else in the State and (2) the elevation is higher. For instance, the only zone II grape-growing area in Oregon listed in *General Viticulture* by Winkler, Cook, Kliever and Lider is Grants Pass in the Rogue Valley. Here the "Heat summation" is listed at 2680 degrees. This compares with the zone I figures of 2220 degrees in Roseburg, Oregon in the Umpqua Valley viticultural area and 2030 degrees for Salem, Oregon in the Willamette Valley viticultural area. The heat summation for Medford in the Rogue Valley is 2650 degree days. (Compiled from *Climatology of the United States No. 84, Daily Normals of Temperature, Heating and Cooling Degree Days and Precipitation, N.O.A.A., 1983*).

The greater warmth of the Rogue Valley allows certain grape varieties to achieve a level of success not found in the surrounding areas of western Oregon. In western Oregon, except for the Rogue Valley, the grape variety Merlot fails to set fruit reliably. In addition, wines made from Rogue Valley Cabernet Sauvignon grapes are widely regarded as among the finest in Oregon according to the petitioner, Ted Jordan Meredith, in his *Northwest Wine Companion*, states that Oregon's Willamette Valley is too cool for the best Cabernet Sauvignon, while further south, the Umpqua Valley and particularly the Rogue Valley, are capable of producing fine Cabernets. Mr. Meredith describes the Applegate Valley (within the Rogue Valley viticultural area) as one of the warmest grape-growing areas in western Oregon, and the Illinois Valley (also within the Rogue Valley viticultural area) as being only slightly cooler than the nearby Applegate Valley. Mr. Meredith also states that warmer climate grapes like Cabernet Sauvignon and Semillon are well-suited to the Illinois Valley.

The other great geological difference between the Rogue Valley and surrounding areas is the high elevation of the land. The highest elevation vineyards in Oregon are all located in the Rogue Valley. The highest elevation vineyard in the Umpqua Valley viticultural area is lower in elevation than the lowest elevation in Rogue Valley vineyard. Hillcrest Vineyard in the Umpqua Valley is at 850 feet above sea level, while the Rogue Valley's lowest elevation vineyard is Rancho Vista Vineyard in Grants Pass at 1,100 feet. The remaining Rogue Valley vineyards are at even higher elevations.

Due to the higher elevations, the Rogue Valley experiences large drops in evening temperatures. The average range between high and low daily temperatures in July in the Medford area is 37 degrees Fahrenheit, which is higher than any other location in Oregon. The average Medford July high is more than 86 degrees F. and the average nighttime low is 50 degrees F. (Atlas of Oregon, University of Oregon.)

The low evening temperatures have a beneficial effect on wine grapes. The retention of grape acids is much better when the fruit is ripened in a cool environment. Also, cool nights aid significantly in the coloration of ripening grapes. These characteristics of high elevation viticulture lead to improved wine quality. (General Viticulture, Winkler, Cook, Kliewer and Lider). The average length of the growing season in the Rouge Valley is 180 days, and the average annual rainfall is 28 inches. The Rogue Valley drainage area (Rogue Valley) is characterized by steep, rugged mountains and narrow river valleys. The Klamath, Siskiyou, and western Cascades are the principal mountain ranges in this area. These mountains are composed of volcanic, altered volcanic and sedimentary, and intrusive igneous rocks. The valleys consist of flood plains, terraces, alluvial fans, and hills. The topography, parent material, and climate combine and interact to create soil properties unique to the area. Six of the ten soil orders (Vertisols, Ultisols, Mollisols, Alfisols, Inceptisols, and Entisols) occurring in the world are in the Rogue Valley area. (Roger Borine, Area Soil Scientist, U.S.D.A.). The agricultural soils of Jackson and Josephine Counties are located in the 900 to 200 foot elevation range. In Jackson County, soil pH ranges from 5.8 to about 6.6. Josephine County soils have pH range of 5.7 to about 6.4. Jackson County has some soil series that are of clay texture, principally Carney, Coker, and Phoenix clays. These clay series are not found in Josephine County. There are at least ten soil series that are common to both counties. They are Barron, Camas, Central Point, Cove, Debenger, Evans, Kerby, Newberg, Pollard and Ruch. The soils of Jackson and Josephine counties are much more closely related to each other than to those of the Willamette Valley, coastal, or eastern Oregon areas. Soils of the Willamette Valley formed under at least 40 inches of annual precipitation and they are considerably more acid than those of the Rogue Valley, having pH ranges of 5.4 to 6.0. (John A. Yungen, Professor of Agronomy, Oregon State University, Medford, Oregon).

**Boundaries**

The boundaries of the Rogue Valley viticultural area as proposed in the notice are adopted. The boundaries may be found on one U.S.G.S. map, "Medford," 1:250,000 scale (1955, revised 1976). The Rogue Valley viticultural area is located entirely within Jackson and Josephine Counties in southwestern Oregon. The specific description of the boundaries of the viticultural area is found in the regulations which immediately follow the preamble to this Treasury decision.

**Miscellaneous**

ATF does not wish to give the impression by approving the Rogue Valley viticultural area that it is approving or endorsing the quality of the wine from this area. ATF is approving this area as being distinct from surrounding areas, not better than other areas. By approving this area, ATF will allow wine producers 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 Rogue Valley wines.

**Executive Order 12291**

It has been determined that this document is not a major regulation as defined in E.O. 12291 and a regulatory impact analysis is not required 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.

**Regulatory Flexibility Act**

It is hereby certified that this regulation will not have a significant economic impact on a substantial number of small entities. Accordingly, a regulatory flexibility analysis is not required because the final rule is not expected (1) to have secondary, or incidental effects on a substantial number of small entities; or (2) to impose, or otherwise cause a significant increase in the reporting, recordkeeping, or other compliance burdens on a substantial number of small entities.

**Paperwork Reduction Act**

The provisions of the Paperwork Reduction Act of 1980, Public Law 96-

511, 44 U.S.C. chapter 35, and its implementing regulations, 5 CFR part 1320, do not apply to this final rule because no requirement to collect information is imposed.

**Drafting Information**

The principal author of this document is Robert White, Wine and Beer Branch, Bureau of Alcohol, Tobacco and Firearms.

**List of Subjects in 27 CFR Part 9**

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

**Authority and Issuance**

Title 27, Code of Federal Regulations, part 9, American Viticultural Areas, is amended as follows:

**PART 9—AMERICAN VITICULTURAL AREAS**

Paragraph 1. The authority citation for part 9 continues to read as follows:

Authority: 27 U.S.C. 205.

Para. 2. The Table of sections in subpart C is amended to add the title of § 9.132 to read as follows:

**Subpart C—Approved American Viticultural Areas**

Sec.  
\* \* \* \* \*  
§ 9.132 Rogue Valley.

Para. 3. Subpart C is amended by adding § 9.132 to read as follows:

**Subpart C—Approved American Viticultural Areas**

\* \* \* \* \*  
**§ 9.132 Rogue Valley.**

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

(b) *Approved map.* The appropriate map for determining the boundaries of the Rogue Valley viticultural area is one U.S.G.S. map titled "Medford," scale 1:250,000 (1955, revised 1976).

(c) *Boundaries.* The Rogue Valley viticultural area is located entirely within Jackson and Josephine Counties in southwestern Oregon. The boundaries are as follows:

(1) Beginning at the point of intersection of Interstate 5 and the Josephine County/Douglas County line approximately 20 miles north of Grants Pass, the boundary proceeds southerly and southwesterly along U.S. Interstate 5 to and including the town of Wolf Creek;

(2) Then westerly and southerly out of the town of Wolf Creek along the

Southern Pacific Railway Line to and including the town of Hugo;

(3) Then southwesterly along the secondary, hard surface road known as Hugo Road to the point where the Hugo Road crosses Jumpoff Joe Creek;

(4) Then westerly and down stream along Jumpoff Joe Creek to the intersection of Jumpoff Joe Creek and the Rogue River;

(5) Then northwesterly and down stream along the Rogue River to the first point where the Wild and Scenic Rogue River designated area touches the easterly boundary of the Siskiyou National Forest just south of Galice;

(6) Then in a generally southwesterly direction (with many diversions) along the easterly border of the Siskiyou National Forest to the 42 degree 0 minute latitude line;

(7) Then easterly along the 42 degree 0 minute latitude line to the point where the Siskiyou National Forest again crosses into Oregon approximately 1 mile east of U.S. Highway 199;

(8) Then in a generally northeasterly direction and then a southeasterly direction (with many diversions) along the northern boundary of the Siskiyou National Forest to the point where the Siskiyou National Forest touches the Rogue River National Forest at Big Sugarloaf Peak;

(9) Then in a generally easterly direction (with many diversions) along the northern border of the Rogue River National Forest to the point where the Rogue River National Forest intersects with Slide Creek approximately 6 miles southeast of Ashland;

(10) Then southeasterly and northeasterly along Slide Creek to the point where it intersects State Highway 273;

(11) Then northwesterly along State Highway 273 to the point where it intersects State Highway 66;

(12) Then in an easterly direction approximately 5 miles along State Highway 66 to the east line of Township 39 South, Range 2 East (T39S, R2E);

(13) Then following the east line of T39S, R2E, in a northerly direction to the northeast corner of T39S, R2E;

(14) Then westerly approximately 5 miles along the north line of T39S, R2E, to the 2,600 foot contour line;

(15) Then in a northerly direction following the 2,600 foot contour line across Walker Creek and then in a southwesterly direction to the point where the 2,600 foot contour line touches the east line of T38S, R1E;

(16) Then northerly along the east line of T38S, R1E, to the northeast corner of T38S, R1E;

(17) Then westerly along the north line of T38S, R1E, to the northwest corner of T38S, R1E;

(18) Then northerly along the west line of T37S, R1E, to the northwest corner of T37S, R1E.

(19) Then easterly along the north lines of T37S, R1E, and T37S, R2E, to the southeast corner of T36S, R2E;

(20) Then northerly along the east line of T36S, R2E, to the northeast corner of T36S, R2E;

(21) Then westerly along the north line of T36S, R2E, to the northwest corner of T36S, R2E;

(22) Then northerly along the east line of T35S, R1E, to the northeast corner of T35S, R1E;

(23) Then westerly along the north line of T35S, R1E, to the northwest corner of T35S, R1E;

(24) Then northerly along the east line of T34S, R1W, to the northeast corner of T34S, R1W;

(25) Then westerly along the north lines of T34S, R1E; T34S, R2W; T34S, R3W; T34S, R4W; and T34S, R5W, to the northwest corner of T34S, R5W;

(26) Then northerly along the west line of T33S, R5W, to the Josephine County/Douglas County line;

(27) Then westerly along the Josephine County/Douglas County line to U.S. Interstate 5, the point of beginning.

Signed: December 17, 1990.

**Stephen E. Higgins,**  
*Director.*

Approved: December 28, 1990.

**Dennis M. O'Connell,**  
*Acting Deputy Assistant Secretary*  
*(Regulatory, Trade and Tariff Enforcement).*  
[FR Doc. 91-1514 Filed 1-22-91; 8:45 am]

**BILLING CODE 4810-31-M**

## DEPARTMENT OF JUSTICE

### Office of the Attorney General

#### 28 CFR Part 0

#### United States Marshals Service Fees

**AGENCY:** Office of the Secretary,  
Department of Justice.

**ACTION:** Final rule.

**SUMMARY:** This rule establishes the United States Marshals Service fees and commissions as required by the Anti-Drug Abuse Act of 1988, Public Law 100-690. New section 1921(b) of title 28, United States Code, requires the Attorney General to establish fees to be collected for certain services rendered by the United States Marshals Service in connection with federal court proceedings. To the extent practicable,

these fees shall reflect the actual and reasonable costs of the services provided. In addition, section 1921(c)(2) requires the Attorney General to establish a minimum and maximum amount for the U.S. Marshals Service commissions for sales conducted pursuant to federal court proceedings.

**EFFECTIVE DATE:** February 22, 1991.

**FOR FURTHER INFORMATION CONTACT:**  
Edward Moyer, Chief, Finance Division,  
U.S. Marshals Service, telephone (202)  
307-9230 or FTS 367-9230.

**SUPPLEMENTARY INFORMATION:** Prior to the passage of the Anti-Drug Abuse Act of 1988, the U.S. Marshals Service fees for serving and executing federal court process were seriously outdated, as compared to the rates charged in the private sector for similar services. The U.S. Marshals Service costs for serving process far exceeded the fees charged private litigants, thus requiring the Service to use public funds to subsidize private litigation. The rule establishes fees for serving and executing federal court process based on the actual costs, e.g., salaries, overhead, travel, out-of-pocket expenses, of the services rendered and the hours expended.

The rule also establishes a range for the U.S. Marshals Service commissions to eliminate unduly high and low commissions resulting from a strict application of the statutory formula in section 1921. In the past, the Service's commissions did not provide for a minimum to assure recovery of costs or a maximum to protect against unduly high commissions. This resulted in litigation and judicial review of statutorily prescribed commissions charged private litigants.

The rule limits the U.S. Marshals Service commissions imposed under section 1921 to a minimum and maximum amount. The minimum guarantees the Government a fixed level of cost coverage, while the maximum protects the private litigant from excessive Marshals Service commissions. Moreover, by establishing a reasonable maximum, the rule should also eliminate the need for judicial review of these matters.

A proposed rule was published in the *Federal Register* at Volume 55, No. 84, on May 1, 1990, and comments were solicited for thirty (30) days thereafter. No comments were received. The final rule is identical to the proposed rule except for minor clarifications.

This rule is not a major rule for purposes of Executive Order 12291. As required by the Regulatory Flexibility Act, it is hereby certified that this rule