deductions on its debt instrument are subject to deferral under section 108(i)(2)(A).
However, because only a portion of the proceeds from P’s debt instrument are used by S to reacquire its applicable debt instrument, only a portion of P’s total OID deductions will be deferred under section 108(i)(2)(A). See section 108(i)(2)(B).
Accordingly, a maximum of $17,500 ($40,000 x $70,000/$160,000) of P’s $40,000 total OID deductions is subject to deferral under section 108(i)(2)(A). Under paragraph (b) of this section, the amount of P’s deferred OID deduction each taxable year under section 108(i)(2)(A) is equal to the product of the amount of OID that accrues in the taxable year under section 1272 for the debt instrument and a fraction ($70,000/$160,000). As a result, P’s deferred OID deductions are the following amounts:

- $4,015.99 for 2010 ($70,000 x $160,000);
- $4,246.39 for 2011 ($9,706.04 x $70,000/$160,000);
- $4,015.99 for 2011 ($9,179.40 x $70,000/$160,000);
- $4,747.61 for 2013 ($10,851.68 x $70,000/$160,000).

Example 2. (i) Facts. The facts are the same as in Example 1, except that S makes a section 108(i) election for only $10,000 of the $30,000 of COD income.
(ii) Analysis. The maximum amount of P’s deferred OID deductions under section 108(i)(2)(A) is $10,000 rather than $17,500 because S made a section 108(i) election for only $10,000 of the $30,000 of COD income. Under section 108(i)(2)(A), because the amount of OID that accrues prior to 2014 attributable to the portion of the debt instrument issued to indirectly reacquire S’s applicable debt instrument under paragraph (b) of this section ($17,500) exceeds the amount of deferred COD income under section 108(i)(10),000, P’s deferred OID deductions are the following amounts:

- $4,015.99 for 2010;
- $4,246.39 for 2011;
- $4,737.62 for 2012; and
- $5,000 for 2013.

Example 3. (i) Facts. The facts are the same as in Example 1, except that P pays $200,000 in cash to the lenders/holders on December 31, 2012, to retire the debt instrument. P did not directly or indirectly obtain the funds to retire the debt instrument from the issuance of another debt instrument with OID.
(ii) Analysis. Under paragraph (c)(1) of this section, the retirement of P’s debt instrument is not an acceleration event for the deferred OID deductions of $4,015.99 for 2010, $4,246.39 for 2011, and $4,490.01 for 2012. Except as provided in § 1.108(i)(1)(b)(4), these amounts will be taken into account during the inclusion period. P, however, paid a repurchase premium of $10,851.68 in 2012 ($200,000 x the adjusted issue price of $189,148.32) to retire the debt instrument. If otherwise allowable, P may deduct this amount in 2012 under § 1.163–7(c).
(e) Effective/applicability dates. For effective/applicability dates, see § 1.108(i)(4)(b).
(f) Expiration date. This section expires August 9, 2013.
PBGC has determined that notice and public comment on this amendment are impracticable and contrary to the public interest. This finding is based on the need to determine and issue new interest assumptions promptly so that the assumptions can reflect current market conditions as accurately as possible. Because of the need to provide immediate guidance for the valuation and payment of benefits in plans with valuation dates during September 2010, PBGC finds that good cause exists for making the assumptions set forth in this amendment effective less than 30 days after publication.

Because no general notice of proposed rulemaking is required for this amendment, the Regulatory Flexibility Act of 1980 does not apply. See 5 U.S.C. 601(2).

List of Subjects in 29 CFR Part 4022
Employee benefit plans, Pension insurance, Pensions, Reporting and recordkeeping requirements.

In consideration of the foregoing, 29 CFR Part 4022 is amended as follows:

Appendix C to Part 4022—Lump Sum Interest Rates for Private-Sector Payments

<table>
<thead>
<tr>
<th>Rate set</th>
<th>For plans with a valuation date</th>
<th>On or after</th>
<th>Before</th>
<th>Immediate annuity rate (percent)</th>
<th>Deferred annuities (percent)</th>
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== 3. In appendix C to Part 4022, Rate Set 203, is added to the table, as set forth below: ==

Appendix C to Part 4022—Lump Sum Interest Rates for Private-Sector Payments

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</table>

Issued in Washington, DC, on this 6th day of August 2010.

Vincent K. Snowbarger, Deputy Director for Operations, Pension Benefit Guaranty Corporation.

[FR Doc. 2010–20000 Filed 8–12–10; 8:45 am]

BILLING CODE 7709–01–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Parts 1, 114, 115, 116, 117, and 118

[Docket No. USCG–2010–0351]

RIN 1625–ZA25

Navigation and Navigable Waters; Technical, Organizational, and Conforming Amendments, Bridges

AGENCY: Coast Guard, DHS.

ACTION: Final rule.

SUMMARY: This rule makes non-substantive changes throughout our regulations. The purpose of this rule is to make conforming amendments and technical corrections to Coast Guard bridge and navigable waters regulations. This rule will have no substantive effect on the regulated public.

DATES: This final rule is effective August 13, 2010.

ADDRESSES: Comments and material received from the public, as well as documents mentioned in this preamble as being available in the docket, are part of docket USCG–2010–0351 and are available for inspection or copying at the Docket Management Facility (M–30), U.S. Department of Transportation, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue, SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. You may also find this docket on the Internet by going to http://www.regulations.gov, inserting USCG–2010–0351 in the “Keyword” box, and then clicking “Search.”

FURTHER INFORMATION CONTACT: If you have questions on this rule, call Renee V. Wright, Program Manager, Docket Operations, telephone 202–366–9826.

SUPPLEMENTARY INFORMATION:

Regulatory History

We did not publish a notice of proposed rulemaking (NPRM) for this rule. Under 5 U.S.C. 553(b)(3)(A), the Coast Guard finds this rule is exempt from notice and comment rulemaking requirements because these changes involve rules of agency organization, procedure, or practice. In addition, the Coast Guard finds notice and comment