

**Regulatory Reinvention Initiative—  
Request For Comments**

**Notice 96-35**

As part of the President's Regulatory Reinvention Initiative, the Treasury Department and the Internal Revenue Service have identified obsolete regulations that relate to prior law, provide

elections for prior years, or are otherwise outdated due to changes in the underlying statutory provisions. The Treasury Department and the Internal Revenue Service believe that the regulations listed below should be withdrawn or removed.

Public comments are requested prior to August 1, 1996, regarding whether any of these regulations should be

retained. Comments should be addressed to Office of Chief Counsel, Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Attn: CC:CORP:R (Regulatory Reinvention Initiative), Room 5228, Washington, D.C. 20044. For further information, contact Philip Bennet, (202) 622-3926 (not a toll-free number).

**SECTION**

1.921-1T(c)

1.1502-81T

5c.103-1, 5c.103-2 and 5c.103-3

**SUBJECT**

Export Trade Corporations

Alaskan Native Corporations

Leases and industrial development bonds; Leases and  
arbitrage; Special rules for leases

**FEDERAL REGISTER CITE AND  
PROJECT NUMBER**

44 FR 31228 (5/31/79) (EE-16-78)

40 FR 18798 (4/30/75)

44 FR 31228 (5/31/79) (EE-16-78)

44 FR 31228 (5/31/79) (EE-16-78)

40 FR 18798 (4/30/75)

44 FR 31228 (5/31/79) (EE-16-78)

40 FR 18798 (4/30/75)

40 FR 18798 (4/30/75)

**SECTION**

1.402(a)-1

1.402(e)-2

1.402(e)-14

1.403(a)-1

1.403(a)-2

1.405-3

**SUBJECT**

Taxability of beneficiary under a trust which meets the requirements of section 401(a)

Treatment of certain lump sum distributions made after 1973

Election to treat pre-1974 participation as post-1973 participation (the "402(e)(4)(L) election")

Taxability of beneficiary under a qualified annuity plan

Capital gains treatment for certain distributions

Taxation of retirement bonds