Administrative Law and Regulation

Swallows Holding Ltd. v. Commissioner : Limited Progress in Rejecting Tax Exceptionalism in Administrative Law

*By Kristin E. Hickman**

Administrative law jurisprudence is an acknowledged mess. Following its development and application involves a lot of banging one's head against the wall. Yet, while application of administrative law doctrines is often "enshrouded in considerable smog,"[1] many of the governing rules and standards are relatively settled. For example, there is no question that agencies promulgating legislative rules must follow the public notice and comment requirements of the Administrative Procedure Act (APA).[2] Courts and scholars struggle to define the precise boundaries of the legislative rule category,[3] but courts have little difficulty concluding that an agency rule with clear legal effect, binding regulated parties and the government alike, and carrying congressionally imposed penalties for non-compliance, qualifies as legislative.[4] Similarly, especially after the Supreme Court's decision in *United States v. Mead Corp.*,[5] there is no question that reviewing courts should apply the strong, mandatory deference doctrine of *Chevron U.S.A. Inc. v. Natural Resources Defense Council, Inc.*,[6] rather than the less deferential standard of *Skidmore v. Swift & Co.*,[7] when evaluating legislative rules,[8] even if courts and scholars debate *ad nauseum* the various parameters, facets, and contours of *Mead*, *Chevron*, and *Skidmore*.[9]

If only administrative law doctrine were so settled with respect to Treasury regulations interpreting the Internal Revenue Code ("I.R.C."). Treasury utilizes two types of delegated authority in promulgating Treasury regulations. Many substantive provisions of the I.R.C. authorize Treasury to issue regulations to accomplish particular, congressionally specified goals;[10] but most Treasury regulations are adopted through the exercise of a more general grant of rulemaking authority in I.R.C. § 7805(a), which authorizes Treasury to develop "all needful rules and regulations for the enforcement of" the I.R.C.[11] The tax community generally recognizes specific authority Treasury regulations as legislative in character, and thus subject to the procedural requirements of APA § 553 and entitled to *Chevron* deference. Yet, whatever authority Treasury exercises in promulgating regulations interpreting the I.R.C., taxpayers who fail to follow Treasury regulations in preparing tax returns and paying taxes are subject to congressionally imposed penalties.[12] Accordingly, virtually everyone in the tax community agrees that general as well as specific authority Treasury regulations carry the force and effect of law.[13] Further, the Internal Revenue Service (IRS) claims that it utilizes the APA's notice and comment requirements in promulgating Treasury regulations.[14] However, for reasons of tradition based on a now-anachronistic understanding of the non-delegation doctrine, the tax community routinely uses the legislative and interpretative labels to distinguish specific authority Treasury regulations from general authority ones.[15] Hence, the IRS also claims that most Treasury regulations are interpretative rules, exempt from notice-and-comment rulemaking;[16] the preambles to most Treasury regulations disclaim the applicability of APA § 553;[17] and Treasury and the IRS routinely fail actually to comply with APA rulemaking requirements.[18]

Meanwhile, courts and tax scholars are also divided over the appropriate standard for judicial review of general authority Treasury regulations. Shortly after *Mead*, the Sixth Circuit declared outright that *Chevron* deference applies to general as well as specific authority Treasury regulations.[19] Prior to *Mead*, however, other circuit courts declared only a less deferential, multi-factor standard articulated prior to *Chevron* in the tax-specific *National Muffler Dealers Association v. Commissioner*[20] appropriate for general authority Treasury regulations.[21] Like *Skidmore*, *National Muffler* lists several criteria for courts to consider in deciding whether to defer to Treasury and IRS interpretations of the I.R.C.; but like *Chevron* after it, *National Muffler* also emphasizes Congress's delegation of administrative authority over the I.R.C. to Treasury and the IRS.[22] Hence, still other circuit courts maintained that *Chevron* and *National Muffler* are indistinguishable.[23] Scholars in the area run the gamut as well, with some in favor of *Chevron*,[24] others for *Skidmore*,[25] and still others searching for compromise by way of some *Chevron*/*National Muffler* hybrid or otherwise modified *Chevron* for general authority Treasury regulations.[26]

Enter *Swallows Holding, Ltd. v. Commissioner* into this quagmire.[27] *Swallows Holding* is a classic case of Treasury and the IRS using their congressionally delegated but general rulemaking authority under I.R.C. § 7805(a) to promulgate a regulation interpreting ambiguous language in another, more substantive provision of the tax code. According to I.R.C. § 882, foreign corporations engaged in trade or business in the United States are taxed much like U.S. corporations on income connected with the conduct of that trade or business—at graduated rates, after the income is reduced by corresponding offsets for deductible expenses connected with such income, with possible alternative minimum tax exposure.[28] I.R.C. § 882(c)(2) allows a foreign corporation to claim deductions against its U.S.-sourced gross income "only by filing... a true and accurate return, in the manner prescribed in subtitle F" of the I.R.C., which subtitle contains procedural provisions governing the filing of tax returns.[29] Exercising its general rulemaking

* *Kristin E. Hickman is an Associate Professor of Law at the University of Minnesota Law School. Parts of this essay draw heavily from research documented in prior work. See generally* Kristin E. Hickman, *Coloring Outside the Lines: Examining Treasury's (Lack of) Compliance with Administrative Procedure Act Rulemaking Requirements*, 82 Notre Dame L. Rev. 1727 (2007), *and* Kristin E. Hickman, *The Need for Mead: Rejecting Tax Exceptionalism in Judicial Deference*, 90 Minn. L. Rev. 1537 (2006).

authority under I.R.C. § 7805(a), Treasury promulgated Treas. Reg. § 1.882-4(a)(3)(i), which interprets I.R.C. § 882(c)(2) to allow a foreign corporation to claim offsetting deductions against its U.S.-sourced income only if the corporation files its tax return "in a timely manner," designated specifically as within 18 months of the return's due date.[30] In so doing, the regulation cross-references timing rules for filing tax returns contained in I.R.C. §§ 6072 and 6081 and related Treasury regulations.[31]

The taxpayer in *Swallows Holding* was a foreign corporation that realized rental income from real property that it held in San Diego, California, and elected to treat its rental activity as a U.S. trade or business.[32] The taxpayer filed tax returns claiming deductions under I.R.C. § 882(c)(2) after the 18 month filing period specified by Treas. Reg. § 1.882-4(a)(3)(i) had expired; the IRS denied the deductions, citing the regulation; and the taxpayer challenged the regulation's substantive validity.[33] The interpretive question was whether Congress's use of the word "manner" without a corresponding reference to "time" in I.R.C. § 882(c)(2) allowed Treasury to impose a limitation period for claiming deductions under I.R.C. § 882(c)(2).[34] The Tax Court concurred with the taxpayer in concluding that I.R.C. § 882(c)(2) as worded did not permit Treasury to impose the 18 month time limit on deduction claims.[35]

The judges of the U.S. Tax Court were sharply divided over how to evaluate the regulation at issue in *Swallows Holding*. A majority of the court concluded that the plain meaning of the statute precluded the timely filing requirement imposed by Treas. Reg. § 1.882-4(a)(3)(i). Nevertheless, the court also expounded at some length regarding the character of general authority Treasury regulations and the appropriate standard for reviewing them. Adhering to tradition, but with little further explanation, the majority labeled Treasury regulations promulgated pursuant to I.R.C. § 7805(a) as interpretative in character.[36] Correspondingly, though suggesting that the two standards are roughly equivalent with only "possible subtle distinctions," the majority concluded that the "traditional, *i.e., National Muffler* standard" rather than *Chevron* applied.[37] Considering various factors drawn from *National Muffler*, the Tax Court majority reached the alternative holding that Treasury's interpretation of I.R.C. § 882(c)(2) was unreasonable.[38]

Extensive dissenting opinions from Judges Swift, Halpern, and Holmes rejected the majority's conclusions regarding the standard to be applied and the deference due to Treas. Reg. § 1.882-4(a)(3)(i). All three judges found the language of I.R.C. § 882(c)(2) ambiguous and advocated applying the *Chevron* standard to defer to Treasury's interpretation thereof as reasonable.[39] With the agreement of Judges Halpern and Swift, Judge Holmes in particular argued that *National Muffler* and *Chevron* represent different standards, and he rejected the continued vitality of *National Muffler* in light of *Chevron*.[40] Furthermore, in reaching his conclusion, Judge Holmes offered substantial analysis debunking the significance of the tax community's historic practice of characterizing general authority Treasury regulations as interpretative: observing that such regulations "are intended to bind the public and have the force of law;" noting that the Court has acknowledged regulations promulgated by other agencies pursuant to similar general authority grants in other statutes as *Chevron* eligible; and concluding that it is not "possible to draw distinctions between the deference owed tax regulations issued under section 7805(a) and those issued under more specific authority."[41]

The Tax Court's majority and dissenting opinions in *Swallows Holding* thus neatly reflected the circuit court and scholarly debate over whether the tax-specific judicial deference standard articulated in *National Muffler* or the more general *Chevron* deference standard applies to general authority Treasury regulations. They also raised the question of the character of such regulations. On appeal, the Third Circuit addressed at least the first of these questions directly.

The Third Circuit's opinion in *Swallows Holding* took two clear and unequivocal positions regarding judicial deference in the tax context. First, the court makes plain its belief that *Chevron* and *National Muffler* represent distinct and, to some extent, incompatible standards. The court recognized that the Supreme Court and lower courts have cited *National Muffler* as requiring Treasury regulations and rules to be reasonable—"a proposition that is not at odds with *Chevron*'s core teachings."[42] Considering *National Muffler* more particularly as requiring judicial evaluation of several factors, however, the court rejected as "not mandatory or dispositive inquiries under *Chevron*" at least two of those factors—contemporaneity and congressional reenactment—along with giving weight to earlier judicial interpretations of ambiguous I.R.C. provisions.[43] Second, to the extent that *Chevron* and *National Muffler* yield different results, as the court indicated they would in this case, the court held that *Chevron* controls the outcome.[44] To reach the second of these conclusions, the Third Circuit applied the standard articulated by the Court in *Mead*: asking whether Treas. Reg. § 1.882-4(a)(3)(i) carries the force and effect of law.[45] It is at this pivotal point, however, that Third Circuit unfortunately truncated its analysis.

Consistent with the Tax Court's majority, the taxpayer argued that Treas. Reg. § 1.882-4(a)(3)(i) is an interpretative rule rather than a legislative one, and as such was per se ineligible for *Chevron* deference.[46] Under general, rather than tax-specific, deference principles, that would mean that the less deferential (and arguably more like *National Muffler*) *Skidmore* standard was appropriate.[47] However, rather than addressing the taxpayer's characterization of general authority Treasury regulations, as the different Tax Court opinions had done, the Third Circuit dodged that question. Instead, in applying *Mead* to decide between *Chevron* or *Skidmore*, the court decided that *Chevron* applied principally because the government put the regulation at issue through public notice and comment, "a move that is indicative of agency action that carries the force of law."[48] Thus ends the court's reasoning for why *Chevron* rather than *Skidmore* applies.

Because the *Mead* Court expressly mentioned notice-and-comment rulemaking as an indicator of *Chevron*'s applicability, the lower courts often seem to regard notice and comment as synonymous with *Chevron*'s applicability.[49] In most cases they are probably right. Agencies typically utilize the notice-and-comment process because the legal force of their regulations

requires adherence to those procedures. Compliance with notice and comment thus often serves as a convenient proxy for *Mead*'s inquiry into whether regulations carry the force and effect of law. Yet, the *Mead* opinion clearly states that notice-and-comment rulemaking is only an indicator of the congressional delegation necessary for *Chevron* deference, and thus is neither an absolute precondition for *Chevron* deference nor a means of obtaining *Chevron* deference in the absence of the requisite delegation.[50] The real question under *Mead* is not whether regulations were promulgated using notice-and-comment rulemaking but rather whether they carry legal force. As noted, there is little doubt that Treasury regulations promulgated under I.R.C. §7805(a) regulations do. It is for this reason, rather than Treasury's utilization of notice and comment, that Treas. Reg. § 1.882-4(a)(3)(i) is entitled to *Chevron* deference.

It is also for this reason that Treasury and the IRS are wrong in their claim that most Treasury regulations are interpretative rules and, consequently, that notice and comment are optional therefore. By failing to address the Tax Court's disagreement over the characterization of general authority Treasury regulations generally or even Treas. Reg. § 1.882-4(a)(3)(i) specifically, the Third Circuit left unsettled as much or more than it resolved. Certainly, the question remains unresolved whether all Treasury regulations must satisfy APA rulemaking requirements. Given Treasury's position on that issue and its lousy record of compliance with APA rulemaking requirements, will *Chevron* deference apply to general authority Treasury regulations with APA compliance issues? Or will the courts evaluate the applicability of *Chevron* versus *Skidmore* to such regulations on a regulation-by-regulation basis? In the event a court holds that notice and comment are not required for general authority Treasury regulations, the Third Circuit's limited analysis in *Swallows Holding* provides an opening for taxpayers to argue, even before the Third Circuit, that courts should apply *Skidmore* rather than *Chevron* deference in reviewing the substantive validity of Treasury regulations.

Regardless of its flaws, however, the Third Circuit's opinion in *Swallows Holding* at least clearly repudiates the continued vitality of *National Muffler* as an independent, tax-specific evaluative standard for Treasury regulations. *Swallows Holding* thus represents a nail in the coffin of tax exceptionalism in judicial deference. In my view, that is progress.

Endnotes

1 Robert A. Anthony, *"Interpretive" Rules, "Legislative" Rules and "Spurious" Rules: Lifting the Smog*, 8 Admin. L.J. Am. U. 1, 4 n.13 (1994) (noting that courts' platitudinous use of the word "smog" as a catchword for certain administrative law perplexities).

2 *See* 5 U.S.C. § 553(b)-(c).

3 *See, e.g.*, Jacob E. Gersen, *Legislative Rules Revisited*, 74 U. Chi. L. Rev. 1705 (2007); John Manning, *Nonlegislative Rules*, 72 Geo. Wash. L. Rev. 893 (2004); Richard J. Pierce, Jr., *Distinguishing Legislative Rules from Interpretive Rules*, 52 Admin. L. Rev. 547, 556-57 (2000); Anthony, *supra* note 1.

4 *See, e.g.*, Sweet v. Sheahan, 235 F.3d 80, 91-93 (2d Cir. 2000); Hoctor v. U.S. Dep't of Ag., 82 F.3d 165, 169-72 (7th Cir. 1996). *Cf.* Am. Mining Congress v. Mine Safety & Health Admin., 995 F.2d 1106, 1109-11 (D.C. Cir. 1993) (designating criteria for assessing whether agency rule carries force of law and is thus legislative); Professionals & Patients for Customized Care v. Shalala, 56 F.3d 592, 595 (5th Cir. 1992) (articulating standard for identifying legislative rules based on binding effect on both public and agency).

5 533 U.S. 218 (2001).

6 467 U.S. 837 (1984) (holding that reviewing courts must defer to reasonable agency interpretations of ambiguous statutes under their administration).

7 323 U.S. 134 (1944) (articulating several factors that courts should consider in deciding whether to respect agency interpretations of statutes, including "the thoroughness evident in its consideration, the validity of its reasoning, its consistency with earlier and later pronouncements, and all those factors which give it power to persuade, if lacking power to control").

8 *See* Mead, 533 U.S. at 226-27, 230 n.12 (holding that *Chevron* provides the appropriate evaluative standard where Congress has given an agency the authority to bind regulated parties with "the force of law" and the agency has "exercised that authority," and identifying legislative rules as a prototypical example of *Chevron*-eligible agency action).

9 The judicial deference literature is simply too extensive to list. For just a few articles, *see* William N. Eskridge, Jr. & Lauren E. Baer, *The Continuum of Deference: Supreme Court Treatment of Agency Statutory Interpretations from* Chevron *to* Hamdan, 96 Geo. L.J. 1083 (2008); Kristin E. Hickman & Matthew D. Krueger, *In Search of the Modern* Skidmore *Doctrine*, 107 Colum. L. Rev. 1235 (2007); Thomas W. Merrill, *The* Mead *Doctrine: Rules and Standards, Meta-Rules and Meta-Standards*, 54 Admin. L. Rev. 807 (2002); Thomas W. Merrill & Kristin E. Hickman, Chevron*'s Domain*, 89 Geo. L.J. 833 (2001); Orin S. Kerr, *Shedding Light on* Chevron*: An Empirical Study of the* Chevron *Doctrine in the U.S. Courts of Appeals*, 15 Yale J. on Reg. 1 (1998); Ronald M. Levin, *The Anatomy of* Chevron*: Step Two Reconsidered*, 72 Chi.-Kent L. Rev. 1253 (1997); Cass Sunstein, *Law and Administration After* Chevron, 90 Colum. L. Rev. 2071 (1990); Antonin Scalia, *Judicial Deference to Administrative Interpretations of Law*, 1989 Duke L.J. 511.

10 *See, e.g.*, I.R.C. §§ 163(i)(5), 167(e)(6), 357(d)(3), 453(j)(1), 952(d), 1502 (2000). A search in the Westlaw FTX-USCA database for specific authority delegations derived from just one common phrasing, "'Secretary shall' /s prescribe /s regulations," resulted in 292 hits in May 2008.

11 I.R.C. § 7805(a).

12 *See* I.R.C. § 6662(a)-(b)(1) (imposing a 20% penalty when underpayment of tax is due to "negligence or disregard of rules or regulations"); Treas. Reg. § 1.6662-3(b)(2) (defining "rules or regulations" for this purpose as including all temporary or final Treasury regulations issued under the I.R.C.).

13 *See, e.g.*, Estate of Gerson v. Comm'r, 507 F.3d 435, 438 (6th Cir. 2007) (noting that both temporary and final general authority Treasury regulations are legally binding on taxpayers); Bankers Life & Cas. Co. v. United States, 142 F.3d 973, 979 (7th Cir. 1998) (observing that specific and general authority Treasury regulations have the force of law); Sheldon I. Banoff, *Dealing with the "Authorities": Determining Valid Legal Authority in Advising Clients, Rendering Opinions, Preparing Tax Returns and Avoiding Penalties*, 66 Tax Notes 1072, 1086, 1092 (1988) (noting legal effect of final and temporary Treasury regulations). *But see* Estate of Gerson v. Comm'r, 127 T.C. 139, 176 (2006) (Vasquez, J., dissenting) (opining that Treasury regulations issued under I.R.C. § 7805 do not carry the force of law).

14 *See, e.g.*, Internal Revenue Manual § 32.1.5.4.7.5.1(5); *id.* § 32.1.2.3(3).

15 *See* Kristin E. Hickman, *The Need for* Mead*: Rejecting Tax Exceptionalism in Judicial Deference*, 90 Minn. L. Rev. 1537, 1563-68 (2006) (tracing the historical origins of this practice).

16 *See id.* §§ 32.1.5.4.7.5.1(5); 32.1.2.3(3).

17 *See* Kristin E. Hickman, *Coloring Outside the Lines: Examining Treasury's (Lack of) Compliance with Administrative Procedure Act Rulemaking Requirements*, 82 Notre Dame L. Rev. 1727, 1749 (2007) (documenting results of three-year study of Treasury regulation projects and noting such disclaimers in 92.7% of the projects studied).

18 *See id.* at 1749 (noting that more than 40% of Treasury regulation projects over three-year period failed to satisfy APA rulemaking requirements). *Cf.* Michael Asimow, *Public Participation in the Adoption of Temporary Tax Regulations*, 44 Tax Law. 343, 369-70 (1991) (concluding that Treasury's routine adoption of temporary regulations with only post-promulgation notice and comment "leaves in doubt the validity of numerous temporary

and final regulations); Juan J. Lavilla, *The Good Cause Exemption to Notice and Comment Rulemaking Requirements Under the Administrative Procedure Act*, 3 Admin. L.J. Am. U. 317, 341 91989) (describing the IRS's comparative misuse of the good cause exception of APA § 553(b) as "particularly remarkable").

19 *See* Hosp. Corp. of Am. & Subsidiaries v. Comm'r, 348 F.3d 136, 140-41 (6th Cir. 2003).

20 440 U.S. 472 (1979). The Court's analysis in *National Muffler* reflects aspects of both *Chevron* and *Skidmore* deference, as the Court emphasized the significance of Congress's delegation of rulemaking authority to Treasury as well as listing several factors to be evaluated including Treasury's expertise and the need for consistency in tax law administration. *See id.* at 475-77.

21 *See, e.g.*, Snowa v. Comm'r, 123 F.3d 190, 197 (4th Cir. 1997); Nalle v. Comm'r, 997 F.2d 1134, 1138 (1993); *see also* Schuler Indus., Inc. v. United States, 109 F.3d 753, 754-55 (Fed. Cir. 1997) (calling *Chevron* more deferential than *National Muffler*).

22 *See National Muffler*, 440 U.S. at 475-77.

23 *See, e.g.*, Bankers Life & Cas. Co. v. United States, 142 F.3d 973, 978-83 (7th Cir. 1998) (acknowledging some differences but declaring the two standards practically indistinguishable); Tate & Lyle, Inc. v. Comm'r, 87 F.3d 99, 106 n.13 (3d Cir. 1996) (equating the two doctrines implicitly by citation).

24 *See* Hickman, *supra* note 15, at 1542. *Cf.* Mitchell M. Gans, *Deference and the End of Tax Practice*, 36 Real Prop. Prob. & Tr. J. 731, 792-93 (2002) (conceding *Chevron*'s applicability in light of *Mead* but advocating *Skidmore* for other reasons).

25 *See, e.g.*, John F. Coverdale, Chevron*'s Reduced Domain: Judicial Review of Treasury Regulations and Revenue Rulings after* Mead, 55 Admin. L. Rev. 39, 81-83 (2003).

26 *See, e.g.*, Irving Salem et al., *ABA Section on Taxation: Report of the Task Force on Judicial Deference*, 57 Tax Law. 717, 737-44 (2004); Ellen P. Aprill, *Muffled* Chevron*: Judicial Review of Tax Regulations*, 3 Fla. Tax Rev. 51, 82-84 (1996); Edward J. Schnee & W. Eugene Seago, *Deference Issues in the Tax Law:* Mead *Clarifies the* Chevron *Rule – Or Does It?*, 96 J. Tax'n 366, 371-72 (2002).

27 515 F.3d 162 (3d Cir. 2008); 126 T.C. 96 (2006).

28 I.R.C. § 882(a), (c)(1)(A).

29 I.R.C. § 882(c)(2).

30 Treas. Reg. § 1.882-4(a)(3)(i); *see also* Final Regulations, Untimely Filing of Income Tax Returns by Nonresident Alien Individuals and Foreign Corporations (T.D. 8322), 55 Fed. Reg. 50,827, 50,828 (Dec. 11, 1990), 1990-2 C.B. 172 (adopting relevant regulatory language).

31 *See* I.R.C. § 6072(c) (setting due date for filing income tax return of foreign corporation); *id.* § 6081(a) (authorizing rules and regulations for granting extensions of filing deadlings); Treas. Reg. § 1.6081-5(a)(3) (permitting six-month extension of time for filing income tax return of foreign corporation with office or place of business in the United States).

32 *See* Swallows Holding, 515 F.3d at 165; *see also* I.R.C. § 882(d)(1) (allowing a foreign corporation deriving income from real property in the United States to elect to treat such income as effectively connected with a U.S. trade or business).

33 *See* Swallows Holding, 515 F.3d at 165.

34 *See id.* at 165-66.

35 *See* Swallows Holding, Ltd. v. Comm'r, 126 T.C. 96, 132 (2006).

36 *See id.* at 129.

37 *Id.* at 131.

38 *See id.* at 137-43. Specifically, the majority drew from National Muffler six factors for its consideration in evaluating Treas. Reg. § 1.882-4(a)(3)(i): "(1) Whether the regulation is a substantially contemporaneous construction of the statute by those presumed to have been aware of congressional intent; (2) the manner in which a regulation dating from a later period evolved; (3) the length of time that the regulation has been in effect; (4) the reliance placed upon the regulation; (5) the consistency of the Secretary's interpretation; and (6) the degree of scrutiny Congress has devoted to the regulation during subsequent reenactments of the statute." *Id.* at 137.

39 *See id.* at 149 (Swift, J. dissenting); *id.* 157-62 (Halpern, J. dissenting); *id.* at 179-80 (Holmes, J. dissenting).

40 *See id.* at 162, 172-81 (Holmes, J. dissenting).

41 *Id.* at 176-80 (Holmes, J. dissenting).

42 *See* Swallows Holding, 515 F.3d at 168 n.6.

43 *See id.* at 167-68 & n.5.

44 *See id.* at 167-68.

45 *See id.* at 168.

46 *See id.* at 169.

47 *See id.*

48 *Id.* at 169-70.

49 *See, e.g.*, Wheatland Tube Co. v. United States, 495 F.3d 1355, 1360 (Fed. Cir. 2007); Sierra Club, Inc. v. Leavitt, 488 F.3d 904, 915 (11th Cir. 2007); Mount Royal Joint Venture v. Kempthorne, 477 F.3d 745, 754 (D.C. Cir. 2007). *Compare* BellSouth Telecommunications, Inc. v. Sanford, 494 F.3d 439, 447-48 (4th Cir. 2007) (applying *Skidmore* rather than *Chevron* deference to agency order promulgated with notice and comment because Congress did not delegate primary interpretive authority to issuing agency).

50 *See* United States v. Mead Corp., 533 U.S. 218, 229-30 (2001); *see also* Thomas W. Merrill, *The* Mead *Doctrine: Rules and Standards, Meta-Rules and Meta-Standards*, 54 Admin. L. Rev. 807, 814 (2002).