

## Part I

### Section 1274.--Determination of Issue Price in the Case of Certain Debt Instruments Issued for Property

(Also Sections 42, 280G, 382, 412, 467, 468, 482, 483, 642, 807, 846, 1288, 7520, 7872.)

#### Rev. Rul. 2011-22

This revenue ruling provides various prescribed rates for federal income tax purposes for October 2011 (the current month). Table 1 contains the short-term, mid-term, and long-term applicable federal rates (AFR) for the current month for purposes of section 1274(d) of the Internal Revenue Code. Table 2 contains the short-term, mid-term, and long-term adjusted applicable federal rates (adjusted AFR) for the current month for purposes of section 1288(b). Table 3 sets forth the adjusted federal long-term rate and the long-term tax-exempt rate described in section 382(f). Table 4 contains the appropriate percentages for determining the low-income housing credit described in section 42(b)(1) for buildings placed in service during the current month. However, under section 42(b)(2), the applicable percentage for non-federally subsidized new buildings placed in service after July 30, 2008, and before December 31, 2013, shall not be less than 9%. Finally, Table 5 contains the federal rate for determining the present value of an annuity, an interest for life or for a term of years, or a remainder or a reversionary interest for purposes of section 7520.

## REV. RUL. 2011-22 TABLE 1

## Applicable Federal Rates (AFR) for October 2011

	<u>Annual</u>	<u>Period for Compounding</u>		<u>Monthly</u>
		<u>Semiannual</u>	<u>Quarterly</u>	
<u>Short-term</u>				
AFR	.16%	.16%	.16%	.16%
110% AFR	.18%	.18%	.18%	.18%
120% AFR	.19%	.19%	.19%	.19%
130% AFR	.21%	.21%	.21%	.21%
<u>Mid-term</u>				
AFR	1.19%	1.19%	1.19%	1.19%
110% AFR	1.31%	1.31%	1.31%	1.31%
120% AFR	1.44%	1.43%	1.43%	1.43%
130% AFR	1.56%	1.55%	1.55%	1.55%
150% AFR	1.80%	1.79%	1.79%	1.78%
175% AFR	2.09%	2.08%	2.07%	2.07%
<u>Long-term</u>				
AFR	2.95%	2.93%	2.92%	2.91%
110% AFR	3.25%	3.22%	3.21%	3.20%
120% AFR	3.55%	3.52%	3.50%	3.49%
130% AFR	3.85%	3.81%	3.79%	3.78%

## REV. RUL. 2011-22 TABLE 2

## Adjusted AFR for October 2011

	<u>Period for Compounding</u>			
	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>
Short-term adjusted AFR	.32%	.32%	.32%	.32%
Mid-term adjusted AFR	1.27%	1.27%	1.27%	1.27%
Long-term adjusted AFR	3.51%	3.48%	3.46%	3.46%

## REV. RUL. 2011-22 TABLE 3

## Rates Under Section 382 for October 2011

Adjusted federal long-term rate for the current month	3.51%
Long-term tax-exempt rate for ownership changes during the current month (the highest of the adjusted federal long-term rates for the current month and the prior two months.)	3.82%

## REV. RUL. 2011-22 TABLE 4

## Appropriate Percentages Under Section 42(b)(1) for October 2011

Note: Under Section 42(b)(2), the applicable percentage for non-federally subsidized new buildings placed in service after July 30, 2008, and before December 31, 2013, shall not be less than 9%.

Appropriate percentage for the 70% present value low-income housing credit	7.48%
Appropriate percentage for the 30% present value low-income housing credit	3.20%

## REV. RUL. 2011-22 TABLE 5

## Rate Under Section 7520 for October 2011

Applicable federal rate for determining the present value of an annuity, an interest for life or a term of years, or a remainder or reversionary interest	1.4%
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