

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

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

Rev. Rul. 2017-08

This revenue ruling provides various prescribed rates for federal income tax purposes for April 2017 (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, 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. 2017-08 TABLE 1

Applicable Federal Rates (AFR) for April 2017

	<u>Annual</u>	<u>Period for Compounding</u>		<u>Monthly</u>
		<u>Semiannual</u>	<u>Quarterly</u>	
<u>Short-term</u>				
AFR	1.11%	1.11%	1.11%	1.11%
110% AFR	1.22%	1.22%	1.22%	1.22%
120% AFR	1.33%	1.33%	1.33%	1.33%
130% AFR	1.45%	1.44%	1.44%	1.44%
<u>Mid-term</u>				
AFR	2.12%	2.11%	2.10%	2.10%
110% AFR	2.33%	2.32%	2.31%	2.31%
120% AFR	2.55%	2.53%	2.52%	2.52%
130% AFR	2.76%	2.74%	2.73%	2.72%
150% AFR	3.20%	3.17%	3.16%	3.15%
175% AFR	3.72%	3.69%	3.67%	3.66%
<u>Long-term</u>				
AFR	2.82%	2.80%	2.79%	2.78%
110% AFR	3.10%	3.08%	3.07%	3.06%
120% AFR	3.39%	3.36%	3.35%	3.34%
130% AFR	3.67%	3.64%	3.62%	3.61%

REV. RUL. 2017-08 TABLE 2

Adjusted AFR for April 2017

	<u>Period for Compounding</u>			
	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>
Short-term adjusted AFR	.83%	.83%	.83%	.83%
Mid-term adjusted AFR	1.58%	1.57%	1.57%	1.56%
Long-term adjusted AFR	2.09%	2.08%	2.07%	2.07%

REV. RUL. 2017-08 TABLE 3

Rates Under Section 382 for April 2017

Adjusted federal long-term rate for the current month	2.09%
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.)	2.09%

REV. RUL. 2017-08 TABLE 4

Appropriate Percentages Under Section 42(b)(1) for April 2017

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

Appropriate percentage for the 70% present value low-income housing credit	7.57%
Appropriate percentage for the 30% present value low-income housing credit	3.24%

REV. RUL. 2017-08 TABLE 5

Rate Under Section 7520 for April 2017

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	2.6%
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