

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, 1288, 7520.)

Rev. Rul. 2017-21

This revenue ruling provides various prescribed rates for federal income tax purposes for November 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. 2017-21 TABLE 1

Applicable Federal Rates (AFR) for November 2017

	<u>Annual</u>	<u>Period for Compounding</u>		<u>Monthly</u>
		<u>Semiannual</u>	<u>Quarterly</u>	
<u>Short-term</u>				
AFR	1.38%	1.38%	1.38%	1.38%
110% AFR	1.53%	1.52%	1.52%	1.52%
120% AFR	1.67%	1.66%	1.66%	1.65%
130% AFR	1.80%	1.79%	1.79%	1.78%
<u>Mid-term</u>				
AFR	2.00%	1.99%	1.99%	1.98%
110% AFR	2.20%	2.19%	2.18%	2.18%
120% AFR	2.40%	2.39%	2.38%	2.38%
130% AFR	2.61%	2.59%	2.58%	2.58%
150% AFR	3.01%	2.99%	2.98%	2.97%
175% AFR	3.51%	3.48%	3.46%	3.46%
<u>Long-term</u>				
AFR	2.60%	2.58%	2.57%	2.57%
110% AFR	2.86%	2.84%	2.83%	2.82%
120% AFR	3.12%	3.10%	3.09%	3.08%
130% AFR	3.38%	3.35%	3.34%	3.33%

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Adjusted AFR for November 2017

	<u>Period for Compounding</u>			
	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>
Short-term adjusted AFR	1.03%	1.03%	1.03%	1.03%
Mid-term adjusted AFR	1.49%	1.48%	1.48%	1.48%
Long-term adjusted AFR	1.93%	1.92%	1.92%	1.91%

REV. RUL. 2017-21 TABLE 3

Rates Under Section 382 for November 2017

Adjusted federal long-term rate for the current month	1.93%
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.)	1.93%

REV. RUL. 2017-21 TABLE 4

Appropriate Percentages Under Section 42(b)(1) for November 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	7.53%
Appropriate percentage for the 30% present value low-income housing credit	3.23%

REV. RUL. 2017-21 TABLE 5

Rate Under Section 7520 for November 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	2.4%
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