

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, 7872.)

Rev. Rul. 2019-08

This revenue ruling provides various prescribed rates for federal income tax purposes for April 2019 (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. 2019-08 TABLE 1

Applicable Federal Rates (AFR) for April 2019

	<u>Annual</u>	<u>Period for Compounding</u>		<u>Monthly</u>
		<u>Semiannual</u>	<u>Quarterly</u>	
<u>Short-term</u>				
AFR	2.52%	2.50%	2.49%	2.49%
110% AFR	2.77%	2.75%	2.74%	2.73%
120% AFR	3.02%	3.00%	2.99%	2.98%
130% AFR	3.28%	3.25%	3.24%	3.23%
<u>Mid-term</u>				
AFR	2.55%	2.53%	2.52%	2.52%
110% AFR	2.80%	2.78%	2.77%	2.76%
120% AFR	3.06%	3.04%	3.03%	3.02%
130% AFR	3.32%	3.29%	3.28%	3.27%
150% AFR	3.84%	3.80%	3.78%	3.77%
175% AFR	4.48%	4.43%	4.41%	4.39%
<u>Long-term</u>				
AFR	2.89%	2.87%	2.86%	2.85%
110% AFR	3.18%	3.16%	3.15%	3.14%
120% AFR	3.47%	3.44%	3.43%	3.42%
130% AFR	3.76%	3.73%	3.71%	3.70%

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Adjusted AFR for April 2019

	<u>Period for Compounding</u>			
	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>
Short-term adjusted AFR	1.91%	1.90%	1.90%	1.89%
Mid-term adjusted AFR	1.93%	1.92%	1.92%	1.91%
Long-term adjusted AFR	2.19%	2.18%	2.17%	2.17%

REV. RUL. 2019-08 TABLE 3

Rates Under Section 382 for April 2019

Adjusted federal long-term rate for the current month	2.19%
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.)	2.20%

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Appropriate Percentages Under Section 42(b)(1) for April 2019

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	7.63%
Appropriate percentage for the 30% present value low-income housing credit	3.27%

REV. RUL. 2019-08 TABLE 5

Rate Under Section 7520 for April 2019

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	3.0%
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