

## 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.)

**Federal rates; adjusted federal rates; adjusted federal long-term rate and the long-term exempt rate.** For purposes of sections 382, 642, 1274, 1288, and other sections of the Code, tables set forth the rates for August 2007.

## Rev. Rul. 2007-50

This revenue ruling provides various prescribed rates for federal income tax purposes for August 2007 (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)(2) for buildings placed in service during the current month. 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. 2007-50 TABLE 1  
Applicable Federal Rates (AFR) for August 2007

	<i>Period for Compounding</i>			
	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
<i>Short-term</i>				
AFR	5.00%	4.94%	4.91%	4.89%
110% AFR	5.50%	5.43%	5.39%	5.37%
120% AFR	6.02%	5.93%	5.89%	5.86%
130% AFR	6.52%	6.42%	6.37%	6.34%
<i>Mid-term</i>				
AFR	5.09%	5.03%	5.00%	4.98%
110% AFR	5.61%	5.53%	5.49%	5.47%
120% AFR	6.13%	6.04%	6.00%	5.97%
130% AFR	6.65%	6.54%	6.49%	6.45%
150% AFR	7.69%	7.55%	7.48%	7.43%
175% AFR	8.99%	8.80%	8.71%	8.64%
<i>Long-term</i>				
AFR	5.31%	5.24%	5.21%	5.18%
110% AFR	5.84%	5.76%	5.72%	5.69%
120% AFR	6.39%	6.29%	6.24%	6.21%
130% AFR	6.93%	6.81%	6.75%	6.72%

REV. RUL. 2007-50 TABLE 2  
Adjusted AFR for August 2007

	<i>Period for Compounding</i>			
	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
Short-term adjusted AFR	3.75%	3.72%	3.70%	3.69%
Mid-term adjusted AFR	3.97%	3.93%	3.91%	3.90%
Long-term adjusted AFR	4.50%	4.45%	4.43%	4.41%

REV. RUL. 2007-50 TABLE 3  
Rates Under Section 382 for August 2007

Adjusted federal long-term rate for the current month	4.50%
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.)	4.50%

REV. RUL. 2007-50 TABLE 4

Appropriate Percentages Under Section 42(b)(2) for August 2007

Appropriate percentage for the 70% present value low-income housing credit	8.21%
Appropriate percentage for the 30% present value low-income housing credit	3.52%

REV. RUL. 2007-50 TABLE 5

Rate Under Section 7520 for August 2007

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	6.2%
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## Section 1288.—Treatment of Original Issue Discount on Tax-Exempt Obligations

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of August 2007. See Rev. Rul. 2007-50, page 311.

## Section 1502.—Regulations

26 CFR 1.1502-13: *Intercompany transactions.*

### T.D. 9329

## DEPARTMENT OF THE TREASURY Internal Revenue Service 26 CFR Parts 1, 301, and 602

### Guidance Necessary to Facilitate Business Electronic Filing and Burden Reduction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final regulations and removal of temporary regulations.

SUMMARY: This document contains final regulations that affect taxpayers filing Federal income tax returns. They simplify,

clarify, or eliminate reporting burdens and also eliminate regulatory impediments to the electronic filing of certain statements that taxpayers are required to include on or with their Federal income tax returns. This document also makes conforming changes to certain current regulations.

**DATES: Effective Date:** These regulations are effective on June 14, 2007.

**Applicability Date:** For dates of applicability, see §§1.302-2(d), 1.302-4(h), 1.331-1(f), 1.332-6(e), 1.338-10(c), 1.351-3(f), 1.355-5(e), 1.368-3(e), 1.381(b)-1(e), 1.382-8(j)(4), 1.382-11(b), 1.1081-11(f), 1.1221-2(j), 1.1502-13(m), 1.1502-31(j), 1.1502-32(j), 1.1502-33(k), 1.1502-95(g), 1.1563-3(e) and 1.6012-2(k).

**FOR FURTHER INFORMATION CONTACT:** For all sections except §1.6012-2, Grid Glycer, (202) 622-7930; for §1.6012-2, William T. Sullivan (202) 622-7052 (not toll-free numbers).

**SUPPLEMENTARY INFORMATION:**

#### Paperwork Reduction Act

The collection of information contained in these final regulations has been reviewed and approved by the Office of Management and Budget in accordance with the Paperwork Reduction Act of 1995

(44 U.S.C. 3507(d)) under control number 1545-2019.

The collection of information in these final regulations is in §§1.302-2, 1.302-4, 1.331-1, 1.332-6, 1.338-10, 1.351-3, 1.355-5, 1.368-3, 1.381(b)-1, 1.382-8, 1.382-11, 1.1081-11, 1.1221-2, 1.1502-13, 1.1502-31, 1.1502-32, 1.1502-33, 1.1502-95, 1.1563-3 and 1.6012-2. This information is required to enable the IRS to verify that a taxpayer is reporting the correct amount of the fair market value of any property (including stock) received and the basis of any property (including stock) surrendered in the transaction described in such section.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number by the Office of Management and Budget.

Books or records relating to a collection of information must be retained as long as their contents might become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

#### Background

On May 30, 2006, the IRS and Treasury Department published temporary regulations (T.D. 9264, 2006-1 C.B. 1150) under