

## Section 702.—Income and Credits of Partner

Is a noncorporate limited partner's distributive share of partnership interest expense incurred in the trade or business of trading securities by the partnership subject to the limitation on the deduction of investment interest in section 163(d) of the Internal Revenue Code? See Rev. Rul. 2008-12, page 520.

## Section 703.—Partnership Computations

Is a noncorporate limited partner's distributive share of partnership interest expense incurred in the trade or business of trading securities by the partnership subject to the limitation on the deduction of investment interest in section 163(d) of the Internal Revenue Code? See Rev. Rul. 2008-12, page 520.

## Section 807.—Rules for Certain Reserves

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of March 2008. See Rev. Rul. 2008-11, page 541.

## Section 846.—Discounted Unpaid Losses Defined

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of March 2008. See Rev. Rul. 2008-11, page 541.

## 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 March 2008.

### Rev. Rul. 2008-11

This revenue ruling provides various prescribed rates for federal income tax purposes for March 2008 (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. 2008-11 TABLE 1  
Applicable Federal Rates (AFR) for March 2008

	<i>Period for Compounding</i>			
	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
<i>Short-term</i>				
AFR	2.25%	2.24%	2.23%	2.23%
110% AFR	2.48%	2.46%	2.45%	2.45%
120% AFR	2.71%	2.69%	2.68%	2.68%
130% AFR	2.93%	2.91%	2.90%	2.89%
<i>Mid-term</i>				
AFR	2.97%	2.95%	2.94%	2.93%
110% AFR	3.28%	3.25%	3.24%	3.23%
120% AFR	3.57%	3.54%	3.52%	3.51%
130% AFR	3.88%	3.84%	3.82%	3.81%
150% AFR	4.48%	4.43%	4.41%	4.39%
175% AFR	5.23%	5.16%	5.13%	5.11%
<i>Long-term</i>				
AFR	4.27%	4.23%	4.21%	4.19%
110% AFR	4.70%	4.65%	4.62%	4.61%
120% AFR	5.14%	5.08%	5.05%	5.03%
130% AFR	5.58%	5.50%	5.46%	5.44%

REV. RUL. 2008-11 TABLE 2				
Adjusted AFR for March 2008				
	<i>Period for Compounding</i>			
	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
Short-term adjusted AFR	2.12%	2.11%	2.10%	2.10%
Mid-term adjusted AFR	2.93%	2.91%	2.90%	2.89%
Long-term adjusted AFR	4.11%	4.07%	4.05%	4.04%

REV. RUL. 2008-11 TABLE 3	
Rates Under Section 382 for March 2008	
Adjusted federal long-term rate for the current month	4.11%
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.)	4.25%

REV. RUL. 2008-11 TABLE 4	
Appropriate Percentages Under Section 42(b)(2) for March 2008	
Appropriate percentage for the 70% present value low-income housing credit	7.84%
Appropriate percentage for the 30% present value low-income housing credit	3.36%

REV. RUL. 2008-11 TABLE 5	
Rate Under Section 7520 for March 2008	
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	3.6%

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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 March 2008. See Rev. Rul. 2008-11, page 541.

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**Section 7520.—Valuation Tables**

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of March 2008. See Rev. Rul. 2008-11, page 541.

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**Section 7872.—Treatment of Loans With Below-Market Interest Rates**

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of March 2008. See Rev. Rul. 2008-11, page 541.