

# Part I. Rulings and Decisions Under the Internal Revenue Code of 1986

## Section 42.—Low-Income Housing Credit

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of August 2011. See Rev. Rul. 2011-16, page 93.

## Section 280G.—Golden Parachute Payments

Federal short-term, mid-term, and long-term rates are set forth for the month of August 2011. See Rev. Rul. 2011-16, page 93.

## Section 382.—Limitations on Net Operating Loss Carryforwards and Certain Built-In Losses Following Ownership Change

The adjusted applicable federal long-term rate is set forth for the month of August 2011. See Rev. Rul. 2011-16, page 93.

## Section 412.—Minimum Funding Standards

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of August 2011. See Rev. Rul. 2011-16, page 93.

## Section 467.—Certain Payments for the Use of Property or Services

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of August 2011. See Rev. Rul. 2011-16, page 93.

## Section 468.—Special Rules for Mining and Solid Waste Reclamation and Closing Costs

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of August 2011. See Rev. Rul. 2011-16, page 93.

## Section 482.—Allocation of Income and Deductions Among Taxpayers

Federal short-term, mid-term, and long-term rates are set forth for the month of August 2011. See Rev. Rul. 2011-16, page 93.

## Section 483.—Interest on Certain Deferred Payments

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of August 2011. See Rev. Rul. 2011-16, page 93.

## Section 642.—Special Rules for Credits and Deductions

Federal short-term, mid-term, and long-term rates are set forth for the month of August 2011. See Rev. Rul. 2011-16, page 93.

## 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 August 2011. See Rev. Rul. 2011-16, page 93.

## 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 August 2011. See Rev. Rul. 2011-16, page 93.

## 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 2011.

## Rev. Rul. 2011-16

This revenue ruling provides various prescribed rates for federal income tax purposes for August 2011 (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, and before December 31, 2013, 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. 2011-16 TABLE 1

Applicable Federal Rates (AFR) for August 2011

	<i>Period for Compounding</i>			
	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
<i>Short-term</i>				
AFR	.32%	.32%	.32%	.32%
110% AFR	.35%	.35%	.35%	.35%
120% AFR	.38%	.38%	.38%	.38%
130% AFR	.42%	.42%	.42%	.42%
<i>Mid-term</i>				
AFR	1.90%	1.89%	1.89%	1.88%
110% AFR	2.09%	2.08%	2.07%	2.07%
120% AFR	2.28%	2.27%	2.26%	2.26%
130% AFR	2.48%	2.46%	2.45%	2.45%
150% AFR	2.86%	2.84%	2.83%	2.82%
175% AFR	3.34%	3.31%	3.30%	3.29%
<i>Long-term</i>				
AFR	3.86%	3.82%	3.80%	3.79%
110% AFR	4.24%	4.20%	4.18%	4.16%
120% AFR	4.63%	4.58%	4.55%	4.54%
130% AFR	5.03%	4.97%	4.94%	4.92%

REV. RUL. 2011-16 TABLE 2

Adjusted AFR for August 2011

	<i>Period for Compounding</i>			
	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
Short-term adjusted AFR	.44%	.44%	.44%	.44%
Mid-term adjusted AFR	1.62%	1.61%	1.61%	1.60%
Long-term adjusted AFR	3.82%	3.78%	3.76%	3.75%

REV. RUL. 2011-16 TABLE 3

Rates Under Section 382 for August 2011

Adjusted federal long-term rate for the current month	3.82%
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.)	4.17%

REV. RUL. 2011-16 TABLE 4

Appropriate Percentages Under Section 42(b)(1) for August 2011

Note: Under Section 42(b)(2), the applicable percentage for non-federally subsidized new buildings placed in service after July 30, 2008, and before December 31, 2013, shall not be less than 9%.

Appropriate percentage for the 70% present value low-income housing credit	7.66%
Appropriate percentage for the 30% present value low-income housing credit	3.28%

REV. RUL. 2011-16 TABLE 5

Rate Under Section 7520 for August 2011

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	2.2%
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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 2011. See Rev. Rul. 2011-16, page 93.

**Section 7520.—Valuation Tables**

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of August 2011. See Rev. Rul. 2011-16, page 93.

**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 August 2011. See Rev. Rul. 2011-16, page 93.

**Section 9815.—Additional Market Reforms**

*26 CFR 54.9815-2719T: Internal claims and appeals and external review processes (temporary).*

**T.D. 9532**

**DEPARTMENT OF THE TREASURY  
Internal Revenue Service  
26 CFR Part 54**

**DEPARTMENT OF LABOR  
Employee Benefits Security Administration  
29 CFR Part 2590**

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
45 CFR Part 147**

**Group Health Plans and Health Insurance Issuers: Rules Relating to Internal Claims and Appeals and External Review Processes**

**AGENCIES:** Internal Revenue Service, Department of the Treasury; Employee Benefits Security Administration, Department of Labor; Centers for Medicare & Medicaid Services, Department of Health and Human Services.

**ACTION:** Amendment to interim final rules with request for comments.

**SUMMARY:** This document contains amendments to interim final regulations implementing the requirements regarding internal claims and appeals and external review processes for group health plans and health insurance coverage in the group and individual markets under provisions of the Affordable Care Act. These rules are intended to respond to feedback from a wide range of stakeholders on the interim final regulations and to assist plans and issuers in coming into full compliance with the law through an orderly and expeditious implementation process.

**DATES: Effective date:** This amendment to the interim final regulations is effective on July 22, 2011.

**Comment date:** Comments are due on or before July 25, 2011.

**ADDRESSES:** Written comments may be submitted to any of the addresses specified below. Any comment that is submitted to any Department will be shared with the other Departments. Please do not submit duplicates.

All comments will be made available to the public. **Warning:** Do not include any personally identifiable information (such as name, address, or other contact information) or confidential business information that you do not want publicly disclosed. All comments may be posted on the Internet and can be retrieved by most Internet search engines. Comments may be submitted anonymously.

**Department of Labor.** Comments to the Department of Labor, identified by RIN