

# 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 July 2013. See Rev. Rul. 2013-15, page 47.

## Section 280G.—Golden Parachute Payments

Federal short-term, mid-term, and long-term rates are set forth for the month of July 2013. See Rev. Rul. 2013-15, page 47.

## Section 382.—Limitation 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 July 2013. See Rev. Rul. 2013-15, page 47.

## Section 412.—Minimum Funding Standards

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of July 2013. See Rev. Rul. 2013-15, page 47.

## 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 July 2013. See Rev. Rul. 2013-15, page 47.

## 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 July 2013. See Rev. Rul. 2013-15, page 47.

## 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 July 2013. See Rev. Rul. 2013-15, page 47.

## 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 July 2013. See Rev. Rul. 2013-15, page 47.

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

Federal short-term, mid-term, and long-term rates are set forth for the month of July 2013. See Rev. Rul. 2013-15, page 47.

## 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 July 2013. See Rev. Rul. 2013-15, page 47.

## 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 July 2013. See Rev. Rul. 2013-15, page 47.

## 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 July 2013.

## Rev. Rul. 2013-15

This revenue ruling provides various prescribed rates for federal income tax purposes for July 2013 (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, with respect to housing credit dollar amount allocations made before January 1, 2014, shall not be less than 9%. 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. Finally, Table 6 contains the blended annual rate for 2013 for purposes of section 7872.

REV. RUL. 2013–15 TABLE 1  
Applicable Federal Rates (AFR) for July 2013

	<i>Period for Compounding</i>			
	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
<i>Short-term</i>				
AFR	.23%	.23%	.23%	.23%
110% AFR	.25%	.25%	.25%	.25%
120% AFR	.28%	.28%	.28%	.28%
130% AFR	.30%	.30%	.30%	.30%
<i>Mid-term</i>				
AFR	1.22%	1.22%	1.22%	1.22%
110% AFR	1.34%	1.34%	1.34%	1.34%
120% AFR	1.47%	1.46%	1.46%	1.46%
130% AFR	1.60%	1.59%	1.59%	1.58%
150% AFR	1.84%	1.83%	1.83%	1.82%
175% AFR	2.15%	2.14%	2.13%	2.13%
<i>Long-term</i>				
AFR	2.80%	2.78%	2.77%	2.76%
110% AFR	3.08%	3.06%	3.05%	3.04%
120% AFR	3.37%	3.34%	3.33%	3.32%
130% AFR	3.64%	3.61%	3.59%	3.58%

REV. RUL. 2013–15 TABLE 2  
Adjusted AFR for July 2013

	<i>Period for Compounding</i>			
	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
Short-term adjusted AFR	.23%	.23%	.23%	.23%
Mid-term adjusted AFR	1.21%	1.21%	1.21%	1.21%
Long-term adjusted AFR	2.80%	2.78%	2.77%	2.76%

REV. RUL. 2013–15 TABLE 3  
Rates Under Section 382 for July 2013

Adjusted federal long-term rate for the current month	2.80%
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.)	2.80%

REV. RUL. 2013–15 TABLE 4  
Appropriate Percentages Under Section 42(b)(1) for July 2013

Note: Under section 42(b)(2), the applicable percentage for non-federally subsidized new buildings placed in service after July 30, 2008, with respect to housing credit dollar amount allocations made before January 1, 2014, shall not be less than 9%.

Appropriate percentage for the 70% present value low-income housing credit	7.46%
Appropriate percentage for the 30% present value low-income housing credit	3.20%

REV. RUL. 2013-15 TABLE 5  
Rate Under Section 7520 for July 2013

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 1.4%

REV. RUL. 2013-15 TABLE 6  
Blended Annual Rate for 2013

Section 7872(e)(2) blended annual rate for 2013 .22%

## 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 July 2013. See Rev. Rul. 2013-15, page 47.

## Section 5000B.—Imposition of a Tax on Indoor Tanning Services

TD 9621

DEPARTMENT OF THE  
TREASURY  
Internal Revenue Service  
26 CFR Parts 40, 49, and 602

### Indoor Tanning Services; Excise Taxes

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final regulations and removal of temporary regulations.

SUMMARY: This document contains final regulations on the indoor tanning services excise tax imposed by the Patient Protection and Affordable Care Act. These final regulations affect persons that use, provide, or pay for indoor tanning services.

DATES: *Effective Date:* These regulations are effective on June 11, 2013.

*Applicability Date:* For dates of applicability, see §§40.0-1(d), 40.6302(c)-1(f), and 49.5000B-1(h).

FOR FURTHER INFORMATION CONTACT: Michael H. Beker or

Natalie A. Payne, at (202) 622-3130 (not a toll-free number).

#### 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 under control number 1545-2177. The collection of information in these final regulations is in §49.5000B-1. The information is required to be maintained by the provider of indoor tanning services to accurately calculate the tax on indoor tanning services when those services are offered with other goods and services.

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.

Books or records relating to a collection of information must be retained as long as their contents may 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

This document amends the Excise Tax Procedural Regulations (26 CFR part 40) and the Facilities and Services Excise Tax Regulations (26 CFR part 49) under section 5000B of the Internal Revenue Code (Code). Section 5000B was added to the Code by section 10907 of the Patient Protection and Affordable Care Act, Public Law 111-148 (124 Stat. 119 (2010)), to impose an excise tax on indoor tanning services. On June 15, 2010, temporary regulations relating to this topic and a

notice of proposed rulemaking cross-referencing the temporary regulations were published in the **Federal Register** (TD 9486, 75 FR 33683; REG-112841-10, 75 FR 33740) (2010 regulations). Written and electronic comments were received and a public hearing was held on October 11, 2011. All comments were considered and are available for public inspection at <http://www.regulations.gov>. After considering the written comments and comments made at the public hearing, the proposed regulations are adopted as final regulations by this Treasury decision and the corresponding temporary regulations are removed.

Public comments on the 2010 regulations identified two issues that the IRS and the Treasury Department will study further and on which the IRS and the Treasury Department request additional comments. Those issues, the treatment of bundled services and undesignated payment cards, are discussed later in this preamble. Comments on those issues should be submitted in writing by October 9, 2013, and can be mailed to the Office of Associate Chief Counsel (Passthroughs and Special Industries), Re: REG-112841-10, CC:PSI:B7, Room 5314, 1111 Constitution Avenue NW., Washington, DC 20224. All comments received will be available for public inspection at <http://www.regulations.gov> (IRS REG-112841-10).

##### Summary of Comments

*Qualified Physical Fitness Facilities.* Commenters questioned the exception for Qualified Physical Fitness Facilities (QPFs) in the 2010 regulations.

The 2010 regulations exempt from the tax any membership fee paid to a QPFF that includes access to indoor tanning services. In a QPFF, taking into consideration