

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, 642, 1288, 7520, 7872.)

Rev. Rul. 2017-14

This revenue ruling provides various prescribed rates for federal income tax purposes for July 2017 (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%. 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 2017 for purposes of section 7872.

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## REV. RUL. 2017-14 TABLE 1

## Applicable Federal Rates (AFR) for July 2017

	<u>Annual</u>	<u>Period for Compounding</u>		<u>Monthly</u>
		<u>Semiannual</u>	<u>Quarterly</u>	
		<u>Short-term</u>		
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%
		<u>Mid-term</u>		
AFR	1.89%	1.88%	1.88%	1.87%
110% AFR	2.08%	2.07%	2.06%	2.06%
120% AFR	2.27%	2.26%	2.25%	2.25%
130% AFR	2.45%	2.44%	2.43%	2.43%
150% AFR	2.84%	2.82%	2.81%	2.80%
175% AFR	3.32%	3.29%	3.28%	3.27%
		<u>Long-term</u>		
AFR	2.60%	2.58%	2.57%	2.57%
110% AFR	2.86%	2.84%	2.83%	2.82%
120% AFR	3.12%	3.10%	3.09%	3.08%
130% AFR	3.38%	3.35%	3.34%	3.33%

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## REV. RUL. 2017-14 TABLE 2

## Adjusted AFR for July 2017

	<u>Period for Compounding</u>			
	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>
Short-term adjusted AFR	.91%	.91%	.91%	.91%
Mid-term adjusted AFR	1.40%	1.40%	1.40%	1.40%
Long-term adjusted AFR	1.93%	1.92%	1.92%	1.91%

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## REV. RUL. 2017-14 TABLE 3

## Rates Under Section 382 for July 2017

Adjusted federal long-term rate for the current month	1.93%
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.)	2.04%

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## REV. RUL. 2017-14 TABLE 4

## Appropriate Percentages Under Section 42(b)(1) for July 2017

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	7.52%
Appropriate percentage for the 30% present value low-income housing credit	3.22%

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## REV. RUL. 2017-14 TABLE 5

## Rate Under Section 7520 for July 2017

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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## REV. RUL. 2017-14 TABLE 6

## Blended Annual Rate for 2017

Section 7872(e)(2) blended annual rate for 2017	1.09%
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