

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, 1288, 7520, 7872.)

Rev. Rul. 2025-13

This revenue ruling provides various prescribed rates for federal income tax purposes for July 2025 (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 2024 for purposes of section 7872.

REV. RUL. 2025-13 TABLE 1

Applicable Federal Rates (AFR) for July 2025

	<u>Annual</u>	<u>Period for Compounding</u>		<u>Monthly</u>
		<u>Semiannual</u>	<u>Quarterly</u>	
<u>Short-term</u>				
AFR	4.12%	4.08%	4.06%	4.05%
110% AFR	4.54%	4.49%	4.47%	4.45%
120% AFR	4.96%	4.90%	4.87%	4.85%
130% AFR	5.37%	5.30%	5.27%	5.24%
<u>Mid-term</u>				
AFR	4.19%	4.15%	4.13%	4.11%
110% AFR	4.62%	4.57%	4.54%	4.53%
120% AFR	5.04%	4.98%	4.95%	4.93%
130% AFR	5.47%	5.40%	5.36%	5.34%
150% AFR	6.33%	6.23%	6.18%	6.15%
175% AFR	7.39%	7.26%	7.20%	7.15%
<u>Long-term</u>				
AFR	4.90%	4.84%	4.81%	4.79%
110% AFR	5.39%	5.32%	5.29%	5.26%
120% AFR	5.89%	5.81%	5.77%	5.74%
130% AFR	6.39%	6.29%	6.24%	6.21%

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Adjusted AFR for July 2025

	<u>Period for Compounding</u>			
	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>
Short-term adjusted AFR	3.12%	3.10%	3.09%	3.08%
Mid-term adjusted AFR	3.17%	3.15%	3.14%	3.13%
Long-term adjusted AFR	3.71%	3.68%	3.66%	3.65%

REV. RUL. 2025-13 TABLE 3

Rates Under Section 382 for July 2025

Adjusted federal long-term rate for the current month	3.71%
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.)	3.71%

REV. RUL. 2025-13 TABLE 4

Appropriate Percentages Under Section 42(b)(1) for July 2025

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	8.06%
Appropriate percentage for the 30% present value low-income housing credit	3.45%

REV. RUL. 2025-13 TABLE 5

Rate Under Section 7520 for July 2025

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	5.00%
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Blended Annual Rate for 2025

Section 7872(e)(2) blended annual rate for 2025	4.22%
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