

July 20, 1998, see §1.367(b)-4(a) and (b) of this chapter.

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Par. 14. Section 7.367(b)-7 is amended as follows:

1. Paragraph (a) is revised.
2. The authority citation at the end of the section is removed.

The revision reads as follows:

§7.367(b)-7 Exchange of stock described in section 354.

(a) [Reserved] For guidance relating to transfers occurring on or after July 20, 1998, see §1.367(b)-7(a) of this chapter.

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PART 602—OMB CONTROL NUMBERS UNDER THE PAPERWORK REDUCTION ACT

Par. 15. The authority citation for part 602 continues to read as follows:

Authority: 26 U.S.C. 7805.

Par. 16. In §602.101, paragraph (c) is amended by:

1. Removing the following entry from the table:

CFR part or section where identified and described	Current OMB control No.
* * * * *	
1.367(a)-3T	1545-0026
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2. Adding the following entry to the table in numerical order to read as follows:

§602.101 OMB Control numbers.

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(c) * * *

CFR part or section where identified and described	Current OMB control No.
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1.367(a)-8	1545-1271
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Approved May 13, 1998.

Michael P. Dolan,
Deputy Commissioner of Internal Revenue.

Donald C. Lubick,
Assistant Secretary of the Treasury.

(Filed by the Office of the Federal Register on June 18, 1998, at 8:45 a.m., and published in the issue of the Federal Register for June 19, 1998, 63 F.R. 33550)

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 1998. See Rev. Rul. 98-33, page 26.

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 1998. See Rev. Rul. 98-33, page 26.

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 1998. See Rev. Rul. 98-33, page 26.

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 1998. See Rev. Rul. 98-33, page 26.

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 1998. See Rev. Rul. 98-33, page 26.

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 1998. See Rev. Rul. 98-33, page 26.

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 1998. See Rev. Rul. 98-33, page 26.

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 1998. See Rev. Rul. 98-33, page 26.

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 1998. See Rev. Rul. 98-33, page 26.

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 1274, 1288, 382, and other sections of the Code, tables set forth the rates for July 1998.

Rev. Rul. 98-33

This revenue ruling provides various prescribed rates for federal income tax purposes for July 1998 (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. 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 purposes of section 7872.

REV. RUL. 98-33 TABLE 1				
Applicable Federal Rates (AFR) for July 1998				
	<i>Period for Compounding</i>			
	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
<i>Short-Term</i>				
AFR	5.56%	5.48%	5.44%	5.42%
110% AFR	6.12%	6.03%	5.99%	5.96%
120% AFR	6.69%	6.58%	6.53%	6.49%
130% AFR	7.25%	7.12%	7.06%	7.02%
<i>Mid-Term</i>				
AFR	5.68%	5.60%	5.56%	5.54%
110% AFR	6.25%	6.16%	6.11%	6.08%
120% AFR	6.83%	6.72%	6.66%	6.63%
130% AFR	7.41%	7.28%	7.21%	7.17%
150% AFR	8.58%	8.40%	8.31%	8.26%
175% AFR	10.04%	9.80%	9.68%	9.61%
<i>Long-Term</i>				
AFR	5.88%	5.80%	5.76%	5.73%
110% AFR	6.48%	6.38%	6.33%	6.30%
120% AFR	7.08%	6.96%	6.90%	6.86%
130% AFR	7.68%	7.54%	7.47%	7.42%

REV. RUL. 98-33 TABLE 2				
Adjusted AFR for July 1998				
	<i>Period for Compounding</i>			
	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
<i>Short-term</i>				
adjusted AFR	3.80%	3.76%	3.74%	3.73%
<i>Mid-term</i>				
adjusted AFR	4.22%	4.18%	4.16%	4.14%
<i>Long-term</i>				
adjusted AFR	5.00%	4.94%	4.91%	4.89%

REV. RUL. 98-33 TABLE 3

Rates Under Section 382 for July 1998

Adjusted federal long-term rate for the current month	5.00%
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.)	5.15%

REV. RUL. 98-33 TABLE 4

Appropriate Percentages Under Section 42(b)(2) for July 1998

Appropriate percentage for the 70% present value low-income housing credit	8.35%
Appropriate percentage for the 30% present value low-income housing credit	3.58%

REV. RUL. 98-33 TABLE 5

Rate Under Section 7520 for July 1998

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	6.8%
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REV. RUL. 98-33 TABLE 6

Blended Annual Rate for 1998

Section 7872(e)(2) blended annual rate for 1998	5.63%
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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 July 1998. See Rev. Rul. 98-33, page 26.

Section 7520.—Valuation Tables

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of July 1998. See Rev. Rul. 98-33, page 26.

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 July 1998. See Rev. Rul. 98-33, page 26.