

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 December 2013. See Rev. Rul. 2013–26, page 628.

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 December 2013. See Rev. Rul. 2013–26, page 628.

Section 642.—Special Rules for Credits and Deductions

Federal short-term, mid-term, and long-term rates are set forth for the month of December 2013. See Rev. Rul. 2013–26, page 628.

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 December 2013. See Rev. Rul. 2013–26, page 628.

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 December 2013. See Rev. Rul. 2013–26, page 628.

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.)

Rev. Rul. 2013–26

This revenue ruling provides various prescribed rates for federal income tax pur-

poses for December 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 2014 interest rate for sections 846 and 807.

REV. RUL. 2013–26 TABLE 1
Applicable Federal Rates (AFR) for December 2013

	<i>Period for Compounding</i>			
	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
<i>Short-term</i>				
AFR	.25%	.25%	.25%	.25%
110% AFR	.28%	.28%	.28%	.28%
120% AFR	.30%	.30%	.30%	.30%
130% AFR	.33%	.33%	.33%	.33%
<i>Mid-term</i>				
AFR	1.65%	1.64%	1.64%	1.63%
110% AFR	1.81%	1.80%	1.80%	1.79%
120% AFR	1.98%	1.97%	1.97%	1.96%
130% AFR	2.14%	2.13%	2.12%	2.12%
150% AFR	2.48%	2.46%	2.45%	2.45%
175% AFR	2.89%	2.87%	2.86%	2.85%
<i>Long-term</i>				
AFR	3.32%	3.29%	3.28%	3.27%
110% AFR	3.65%	3.62%	3.60%	3.59%
120% AFR	3.99%	3.95%	3.93%	3.92%
130% AFR	4.33%	4.28%	4.26%	4.24%

REV. RUL. 2013–26 TABLE 2

Adjusted AFR for December 2013

Period for Compounding

	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
Short-term adjusted AFR	.25%	.25%	.25%	.25%
Mid-term adjusted AFR	1.57%	1.56%	1.56%	1.55%
Long-term adjusted AFR	3.32%	3.29%	3.28%	3.27%

REV. RUL. 2013–26 TABLE 3

Rates Under Section 382 for December 2013

Adjusted federal long-term rate for the current month	3.32%
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.)	3.50%

REV. RUL. 2013–26 TABLE 4

Appropriate Percentages Under Section 42(b)(1) for December 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	7.57%
Appropriate percentage for the 30% present value low-income housing credit	3.25%

REV. RUL. 2013–26 TABLE 5

Rate Under Section 7520 for December 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	2.0%
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REV. RUL. 2013–26 TABLE 6

Rates Under Sections 846 and 807

Applicable rate of interest for 2014 for purposes of sections 846 and 807	1.79%
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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 December 2013. See Rev. Rul. 2013–26, page 628.

Section 3402.—Income Tax Collected at Source

Dividends and other distributions made by an Alaska Native Corporation to its shareholders are eligible for voluntary withholding under section 3402(p)(3)(B) of the Internal Revenue Code (Code) and § 31.3402(p)-1T of the Employment Tax Regulations. See Notice 2013–77 on page 632.

Section 3402.—Income Tax Collected at Source

Temporary and proposed regulations under section 3402(p)(3) relating to voluntary withholding agreements allow the Secretary to issue guidance in the Internal Revenue Bulletin to describe payments for which the Secretary finds that income tax withholding under a voluntary withholding agreement would be appropriate. The proposed regulations also clarify that existing regulations under section 3402(p) apply to voluntary withholding agreements between employers and employees. See T.D. 9646 on page 630 and REG–146620–13 on page 674.