

(v) Total expenses or deductions, including totals of the following components thereof:

- (A) Repairs (and maintenance) expense;
- (B) Rents (or lease) expense;
- (C) Taxes and licenses expense;
- (D) Interest expense, including mortgage or other interest;
- (E) Depreciation expense;
- (F) Depletion expense;
- (G) Advertising expense;
- (H) Pension and profit-sharing plans (retirement plans) expense;
- (I) Employee benefit programs expense;
- (J) Utilities expense;
- (K) Supplies expense;
- (L) Contract labor expense; and
- (M) Management (and investment advisory) fees.

(b)(3)(vi) through (b)(3)(xxiv) [Reserved]. For further guidance see § 301.6103(j)(1)–1(b)(3)(vi) through (b)(3)(xxiv).

(xxv) From Form 6765 (when filed with corporation income tax returns)—

- (A) Indicator that total qualified research expenses is greater than zero, but less than \$1 million; greater than or equal to \$1 million, but less than \$3 million; or, greater than or equal to \$3 million;
- (B) Cycle posted; and
- (C) Research tax credit amount to be carried over to a business return, schedule, or form.

(xxvi) Total number of documents reported on Form 1096 transmitting Forms 1099–MISC.

(xxvii) Total amount reported on Form 1096 transmitting Forms 1099–MISC.

(xxviii) Type of REIT.

(xxix) From Form 1125–A—purchases.

(xxx) From Form 1040, Schedule C—

- (A) Purchases less cost of items withdrawn for personal use; and
- (B) Materials and supplies.

(xxxi) Electronic filing system indicator.

(xxxii) Posting cycle date relative to filing.

(xxxiii) Dividends, including ordinary or qualified.

(xxxiv) From Form 1120S, Schedule K–1—ordinary business income (loss).

(xxxv) From Form 1065, Schedule K–1—

- (A) Publicly-traded partnership indicator;
- (B) Partner’s share of nonrecourse, qualified nonrecourse, and recourse liabilities; and
- (C) Ordinary business income (loss).

(b)(4) through (b)(6)(i)(B) [Reserved]. For further guidance see § 301.6103(j)(1)–1(b)(4) through (b)(6)(i)(B).

- (C) From Form 1120–REIT—
  - (1) Type of REIT; and
  - (2) Gross rents from real property;
- (D) From Form 1120F—corporation’s method of accounting.

(E) From Form 1096—total amount reported.

(b)(6)(ii) through (d)(3)(ii) [Reserved]. For further guidance see § 301.6103(j)(1)–1(b)(6)(ii) through (d)(3)(ii).

(e) *Applicability date.* This section applies to disclosures to the Bureau of the Census made on or after December 9, 2016.

(f) *Expiration date.* The applicability of this section expires on or before December 9, 2019.

John Dalrymple,  
*Deputy Commissioner for  
Services and Enforcement.*

Approved November 23, 2016.

Mark J. Mazur,  
*Assistant Secretary of the Treasury (Tax  
Policy).*

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## 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, 1288, 7520, 7872.)*

### Rev. Rul. 2017–02

This revenue ruling provides various prescribed rates for federal income tax purposes for January 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 deemed rate of return for transfers made during calendar year 2017 to pooled income funds described in section 642(c)(5) that have been in existence for less than 3 taxable years immediately preceding the taxable year in which the transfer was made.

REV. RUL. 2017–02 TABLE 1				
Applicable Federal Rates (AFR) for January 2017				
	Annual	Period for Compounding		Monthly
		Semiannual	Quarterly	
		Short-term		
AFR	.96%	.96%	.96%	.96%
110% AFR	1.06%	1.06%	1.06%	1.06%
120% AFR	1.15%	1.15%	1.15%	1.15%

REV. RUL. 2017-02 TABLE 1  
Applicable Federal Rates (AFR) for January 2017

	<i>Period for Compounding</i>			
	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
130% AFR	1.25%	1.25%	1.25%	1.25%
		<i>Mid-term</i>		
AFR	1.97%	1.96%	1.96%	1.95%
110% AFR	2.17%	2.16%	2.15%	2.15%
120% AFR	2.36%	2.35%	2.34%	2.34%
130% AFR	2.57%	2.55%	2.54%	2.54%
150% AFR	2.96%	2.94%	2.93%	2.92%
175% AFR	3.46%	3.43%	3.42%	3.41%
		<i>Long-term</i>		
AFR	2.75%	2.73%	2.72%	2.71%
110% AFR	3.02%	3.00%	2.99%	2.98%
120% AFR	3.31%	3.28%	3.27%	3.26%
130% AFR	3.58%	3.55%	3.53%	3.52%

REV. RUL. 2017-02 TABLE 2  
Adjusted AFR for January 2017

	<i>Period for Compounding</i>			
	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
Short-term adjusted AFR	.71%	.71%	.71%	.71%
Mid-term adjusted AFR	1.47%	1.46%	1.46%	1.46%
Long-term adjusted AFR	2.04%	2.03%	2.02%	2.02%

REV. RUL. 2017-02 TABLE 3  
Rates Under Section 382 for January 2017

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

REV. RUL. 2017-02 TABLE 4  
Appropriate Percentages Under Section 42(b)(1) for January 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	7.54%
Appropriate percentage for the 30% present value low-income housing credit	3.23%

REV. RUL. 2017-02 TABLE 5  
Rate Under Section 7520 for January 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 2.4%

REV. RUL. 2017-02 TABLE 6  
Deemed Rate for Transfers to New Pooled Income Funds During 2017

Deemed rate of return for transfers during 2017 to pooled income funds that have been in existence for less than 3 taxable years 1.2%

### 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 January 2017. See Rev. Rul. 2017-2, page 364.

### Section 280G.—Golden Parachute Payments

Federal short-term, mid-term, and long-term rates are set forth for the month of January 2017. See Rev. Rul. 2017-2, page 364.

### 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 January 2017. See Rev. Rul. 2017-2, page 364.

### Section 412.—Minimum Funding Standards

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of January 2017. See Rev. Rul. 2017-2, page 364.

### 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 January 2017. See Rev. Rul. 2017-2, page 364.

### 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 January 2017. See Rev. Rul. 2017-2, page 364.

### 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 January 2017. See Rev. Rul. 2017-2, page 364.

### 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 January 2017. See Rev. Rul. 2017-2, page 364.

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

Federal short-term, mid-term, and long-term rates are set forth for the month of January 2017. See Rev. Rul. 2017-2, page 364.

### 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 January 2017. See Rev. Rul. 2017-2, page 364.

### Section 7520.—Valuation Tables

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of January 2017. See Rev. Rul. 2017-2, page 364.

### 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 January 2017. See Rev. Rul. 2017-2, page 364.