

## **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, 807, 846, 1288, 7520, 7872.)*

**Federal rates; adjusted federal rates; adjusted federal long-term rates, 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 June 1996.

### **Rev. Rul. 96-27**

This revenue ruling provides various prescribed rates for federal income tax purposes for June 1996 (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. Finally, 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.

REV. RUL. 96-27 TABLE 1

Applicable Federal Rates (AFR) for June 1996

*Period for Compounding*

	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
<i>Short-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%
<i>Mid-Term</i>				
AFR	6.58%	6.48%	6.43%	6.39%
110 AFR	7.26%	7.13%	7.07%	7.03%
120 AFR	7.93%	7.78%	7.71%	7.66%
130 AFR	8.60%	8.42%	8.33%	8.28%
150 AFR	9.96%	9.72%	9.60%	9.53%
175 AFR	11.66%	11.34%	11.18%	11.08%
<i>Long-Term</i>				
AFR	7.04%	6.92%	6.86%	6.82%
110 AFR	7.75%	7.61%	7.54%	7.49%
120 AFR	8.47%	8.30%	8.22%	8.16%
130 AFR	9.20%	9.00%	8.90%	8.84%

REV. RUL. 96-27 TABLE 2

Adjusted AFR for June 1996

*Period for Compounding*

	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
<i>Short-term</i>				
adjusted AFR	3.93%	3.89%	3.87%	3.86%
<i>Mid-term</i>				
adjusted AFR	4.81%	4.75%	4.72%	4.70%
<i>Long-term</i>				
adjusted AFR	5.78%	5.70%	5.66%	5.63%