

## **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 rate for April, 1997.

### **Rev. Rul. 97-17**

This revenue ruling provides various prescribed rates for federal income tax purposes for April 1997 (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. 97-17 TABLE 1

Applicable Federal Rates (AFR) for April 1997

*Period for Compounding*

	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
<i>Short-Term</i>				
AFR	5.91%	5.83%	5.79%	5.76%
110% AFR	6.51%	6.41%	6.36%	6.33%
120% AFR	7.12%	7.00%	6.94%	6.90%
130% AFR	7.72%	7.58%	7.51%	7.46%
<i>Mid-Term</i>				
AFR	6.49%	6.39%	6.34%	6.31%
110% AFR	7.15%	7.03%	6.97%	6.93%
120% AFR	7.82%	7.67%	7.60%	7.55%
130% AFR	8.48%	8.31%	8.23%	8.17%
150% AFR	9.82%	9.59%	9.48%	9.40%
175% AFR	11.49%	11.18%	11.03%	10.93%
<i>Long-Term</i>				
AFR	6.88%	6.77%	6.71%	6.68%
110% AFR	7.59%	7.45%	7.38%	7.34%
120% AFR	8.28%	8.12%	8.04%	7.99%
130% AFR	8.99%	8.80%	8.71%	8.64%

REV. RUL. 97-17 TABLE 2

Adjusted AFR for April 1997

*Period for Compounding*

	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
Short-term adjusted AFR	3.75%	3.72%	3.70%	3.69%
Mid-term adjusted AFR	4.55%	4.50%	4.47%	4.46%
Long-term adjusted AFR	5.45%	5.38%	5.34%	5.32%

REV. RUL. 97-17 TABLE 3

Rates Under Section 382 for April 1997

Adjusted federal long-term rate for the current month	5.45%
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.)	5.50%

REV. RUL. 97-17 TABLE 4

Appropriate Percentages Under Section 42(b)(2) for April 1997

Appropriate percentage for the 70% present value low-income housing credit	8.57%
Appropriate percentage for the 30% present value low-income housing credit	3.67%

REV. RUL. 97-17 TABLE 5

Rate Under Section 7520 for April 1997

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	7.8%
---	------