

# **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 382, 1274, 1288, and other sections of the Code, tables set forth the rates for June 2003.

## **Rev. Rul. 2003-60**

This revenue ruling provides various prescribed rates for federal income tax purposes for June 2003 (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 fed-

eral 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 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. 2003-60 TABLE 1  
Applicable Federal Rates (AFR) for June 2003  
*Period for Compounding*

	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
<i>Short-Term</i>				
AFR	1.49%	1.48%	1.48%	1.48%
110% AFR	1.64%	1.63%	1.63%	1.62%
120% AFR	1.79%	1.78%	1.78%	1.77%
130% AFR	1.93%	1.92%	1.92%	1.91%
<i>Mid-Term</i>				
AFR	3.06%	3.04%	3.03%	3.02%
110% AFR	3.37%	3.34%	3.33%	3.32%
120% AFR	3.68%	3.65%	3.63%	3.62%
130% AFR	3.99%	3.95%	3.93%	3.92%
150% AFR	4.61%	4.56%	4.53%	4.52%
175% AFR	5.39%	5.32%	5.29%	5.26%
<i>Long-Term</i>				
AFR	4.65%	4.60%	4.57%	4.56%
110% AFR	5.12%	5.06%	5.03%	5.01%
120% AFR	5.60%	5.52%	5.48%	5.46%
130% AFR	6.07%	5.98%	5.94%	5.91%

REV. RUL. 2003-60 TABLE 2  
Adjusted AFR for June 2003  
*Period for Compounding*

	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
Short-term adjusted AFR	1.29%	1.29%	1.29%	1.29%
Mid-term adjusted AFR	2.61%	2.59%	2.58%	2.58%
Long-term adjusted AFR	4.35%	4.30%	4.28%	4.26%

REV. RUL. 2003-60 TABLE 3

Rates Under Section 382 for June 2003

Adjusted federal long-term rate for the current month	4.35%
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.)	4.45%

REV. RUL. 2003-60 TABLE 4

Appropriate Percentages Under Section 42(b)(2) for June 2003

Appropriate percentage for the 70% present value low-income housing credit	7.89%
Appropriate percentage for the 30% present value low-income housing credit	3.38%

REV. RUL. 2003-60 TABLE 5

Rate Under Section 7520 for June 2003

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	3.6%
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