

## Part I

### 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. [2008-46](#)

This revenue ruling provides various prescribed rates for federal income tax purposes for September 2008 (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. [2008-46](#) TABLE 1

Applicable Federal Rates (AFR) for September 2008

	<u>Annual</u>	<u>Period for Compounding</u>		<u>Monthly</u>
		<u>Semiannual</u>	<u>Quarterly</u>	
<u>Short-term</u>				
AFR	2.38%	2.37%	2.36%	2.36%
110% AFR	2.63%	2.61%	2.60%	2.60%
120% AFR	2.86%	2.84%	2.83%	2.82%
130% AFR	3.10%	3.08%	3.07%	3.06%
<u>Mid-term</u>				
AFR	3.46%	3.43%	3.42%	3.41%
110% AFR	3.81%	3.77%	3.75%	3.74%
120% AFR	4.16%	4.12%	4.10%	4.09%
130% AFR	4.51%	4.46%	4.44%	4.42%
150% AFR	5.22%	5.15%	5.12%	5.10%
175% AFR	6.09%	6.00%	5.96%	5.93%
<u>Long-term</u>				
AFR	4.58%	4.53%	4.50%	4.49%
110% AFR	5.04%	4.98%	4.95%	4.93%
120% AFR	5.51%	5.44%	5.40%	5.38%
130% AFR	5.98%	5.89%	5.85%	5.82%



REV. RUL. [2008-46](#) TABLE 2

Adjusted AFR for September 2008

	<u>Period for Compounding</u>			
	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>
Short-term adjusted AFR	1.81%	1.80%	1.80%	1.79%
Mid-term adjusted AFR	3.21%	3.18%	3.17%	3.16%
Long-term adjusted AFR	4.53%	4.48%	4.46%	4.44%

REV. RUL. [2008-46](#) TABLE 3

Rates Under Section [382](#) for September 2008

Adjusted federal long-term rate for the current month	4.53%
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.)	<b>4.65%</b>

REV. RUL. [2008-46](#) TABLE 4

Appropriate Percentages Under Section [42\(b\)\(2\)](#) for September 2008

Appropriate percentage for the 70% present value low-income housing credit	7.93%
Appropriate percentage for the 30% present value low-income housing credit	3.40%

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REV. RUL. 2008-46 TABLE 5

Rate Under Section 7520 for September 2008

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

4.2%