

Section 1274.--Determination of Issue Price in the Case of Certain Debt Instruments Issued for Property

(Also Sections 42, 280G, 382, 467, 468, 482, 483, 1288, 7520, 7872.)

Rev. Rul. 2019-25

This revenue ruling provides various prescribed rates for federal income tax purposes for November 2019 (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%. 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. 2019-25 TABLE 1

Applicable Federal Rates (AFR) for November 2019

	<u>Annual</u>	<u>Period for Compounding</u>		<u>Monthly</u>
		<u>Semiannual</u>	<u>Quarterly</u>	
<u>Short-term</u>				
AFR	1.68%	1.67%	1.67%	1.66%
110% AFR	1.85%	1.84%	1.84%	1.83%
120% AFR	2.01%	2.00%	2.00%	1.99%
130% AFR	2.18%	2.17%	2.16%	2.16%
<u>Mid-term</u>				
AFR	1.59%	1.58%	1.58%	1.57%
110% AFR	1.75%	1.74%	1.74%	1.73%
120% AFR	1.91%	1.90%	1.90%	1.89%
130% AFR	2.06%	2.05%	2.04%	2.04%
150% AFR	2.38%	2.37%	2.36%	2.36%
175% AFR	2.79%	2.77%	2.76%	2.75%
<u>Long-term</u>				
AFR	1.94%	1.93%	1.93%	1.92%
110% AFR	2.13%	2.12%	2.11%	2.11%
120% AFR	2.33%	2.32%	2.31%	2.31%
130% AFR	2.53%	2.51%	2.50%	2.50%

REV. RUL. 2019-25 TABLE 2

Adjusted AFR for November 2019

	<u>Period for Compounding</u>			
	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>
Short-term adjusted AFR	1.27%	1.27%	1.27%	1.27%
Mid-term adjusted AFR	1.20%	1.20%	1.20%	1.20%
Long-term adjusted AFR	1.48%	1.47%	1.47%	1.47%

REV. RUL. 2019-25 TABLE 3

Rates Under Section 382 for November 2019

Adjusted federal long-term rate for the current month	1.48%
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.)	1.68%

REV. RUL. 2019-25 TABLE 4

Appropriate Percentages Under Section 42(b)(1) for November 2019

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	7.40%
Appropriate percentage for the 30% present value low-income housing credit	3.17%

REV. RUL. 2019-25 TABLE 5

Rate Under Section 7520 for November 2019

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 2.0%