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. 2018-19
This revenue ruling provides various prescribed rates for federal income tax purposes for July 2018 (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\%. 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. Finally, Table 6 contains the blended annual rate for 2018 for purposes of section 7872.

REV. RUL. 2018-19 TABLE 1
Applicable Federal Rates (AFR) for July 2018
Period for Compounding
Annual Semiannual Quarterly Monthly
Short-term

| 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 | $3.10 \%$ | $3.08 \%$ | $3.07 \%$ | $3.06 \%$ |

Mid-term

| AFR | $2.87 \%$ | $2.85 \%$ | $2.84 \%$ | $2.83 \%$ |
| :--- | :--- | :--- | :--- | :--- |
| $110 \%$ AFR | $3.16 \%$ | $3.14 \%$ | $3.13 \%$ | $3.12 \%$ |
| $120 \%$ AFR | $3.45 \%$ | $3.42 \%$ | $3.41 \%$ | $3.40 \%$ |
| $130 \%$ AFR | $3.74 \%$ | $3.71 \%$ | $3.69 \%$ | $3.68 \%$ |
| $150 \%$ AFR | $4.33 \%$ | $4.28 \%$ | $4.26 \%$ | $4.24 \%$ |
| $175 \%$ AFR | $5.05 \%$ | $4.99 \%$ | $4.96 \%$ | $4.94 \%$ |


| 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 | $3.99 \%$ | $3.95 \%$ | $3.93 \%$ | $3.92 \%$ |

REV. RUL. 2018-19 TABLE 2
Adjusted AFR for July 2018
Period for Compounding

|  | Annual | Semiannual | Quarterly | Monthly |
| :--- | :---: | :---: | :---: | :---: | :---: |
| Short-term <br> adjusted AFR | $1.81 \%$ | $1.80 \%$ | $1.80 \%$ | $1.79 \%$ |
| Mid-term | $2.17 \%$ | $2.16 \%$ | $2.15 \%$ | $2.15 \%$ |
| adjusted AFR |  |  |  |  |
| Long-term <br> adjusted AFR | $2.32 \%$ | $2.31 \%$ | $2.30 \%$ | $2.30 \%$ |

REV. RUL. 2018-19 TABLE 3
Rates Under Section 382 for July 2018
Adjusted federal long-term rate for the current month 2.32\%
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.)

REV. RUL. 2018-19 TABLE 4
Appropriate Percentages Under Section 42(b)(1) for July 2018
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

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

REV. RUL. 2018-19 TABLE 5
Rate Under Section 7520 for July 2018
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
3.4\%

REV. RUL. 2018-19 TABLE 6
Blended Annual Rate for 2018
Section 7872(e)(2) blended annual rate for 2018
2.03\%

