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. 2019-12

This revenue ruling provides various prescribed rates for federal income tax purposes for May 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. 2019-12 TABLE 1

# Applicable Federal Rates (AFR) for May 2019

	Period for Compounding					
	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>		
	Short-term					
	0.000/	0.000/	0.070/	0.070/		
AFR	2.39%	2.38%	2.37%	2.37%		
110% AFR 120% AFR	2.64% 2.88%	2.62% 2.86%	2.61% 2.85%	2.61% 2.84%		
130% AFR	2.00% 3.11%	2.80%	2.85%	2.84%		
130% AFK	3.1170	3.09%	3.00%	3.07%		
	<u>Mid-term</u>					
AFR	2.37%	2.36%	2.35%	2.35%		
110% AFR	2.62%	2.60%	2.59%	2.59%		
120% AFR	2.85%	2.83%	2.82%	2.81%		
130% AFR	3.09%	3.07%	3.06%	3.05%		
150% AFR	3.57%	3.54%	3.52%	3.51%		
175% AFR	4.17%	4.13%	4.11%	4.09%		
	Long-term					
	<u> </u>					
AFR	2.74%	2.72%	2.71%	2.70%		
110% AFR	3.01%	2.99%	2.98%	2.97%		
120% AFR	3.29%	3.26%	3.25%	3.24%		
130% AFR	3.57%	3.54%	3.52%	3.51%		

### REV. RUL. 2019-12 TABLE 2

# Adjusted AFR for May 2019

	Period for Compounding				
	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>	
Short-term adjusted AFR	1.82%	1.81%	1.81%	1.80%	
Mid-term adjusted AFR	1.80%	1.79%	1.79%	1.78%	
Long-term adjusted AFR	2.08%	2.07%	2.06%	2.06%	

# REV. RUL. 2019-12 TABLE 3

Rates Under Section 382 for May 2019	
Adjusted federal long-term rate for the current month	2.08%
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.)	2.20%

Appropriate Percentages Under Section 42(b)(1) for May 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	7.59%
Appropriate percentage for the 30% present value low-income housing credit	3.25%

#### REV. RUL. 2019-12 TABLE 5

Rate Under Section 7520 for May 2019

2.8%

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

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