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. 2023-5

This revenue ruling provides various prescribed rates for federal income tax purposes for March 2023 (the current month). Table 1 contains the short-term, midterm, 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, midterm, 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. 2023-5 TABLE 1

# Applicable Federal Rates (AFR) for March 2023

	Period for Compounding				
	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>	
	Short-term				
AFR	4.50%	4.45%	4.43%	4.41%	
110% AFR	4.96%	4.90%	4.87%	4.85%	
120% AFR	5.41%	5.34%	5.30%	5.28%	
130% AFR	5.87%	5.79%	5.75%	5.72%	
	<u>Mid-term</u>				
AFR	3.70%	3.67%	3.65%	3.64%	
110% AFR	4.08%	4.04%	4.02%	4.01%	
120% AFR	4.45%	4.40%	4.38%	4.36%	
130% AFR	4.83%	4.77%	4.74%	4.72%	
150% AFR	5.59%	5.51%	5.47%	5.45%	
175% AFR	6.52%	6.42%	6.37%	6.34%	
	Long-term				
AFR	3.74%	3.71%	3.69%	3.68%	
110% AFR	4.12%	4.08%	4.06%	4.05%	
120% AFR	4.50%	4.45%	4.43%	4.41%	
130% AFR	4.88%	4.82%	4.79%	4.77%	

#### REV. RUL. 2023-5 TABLE 2

#### Adjusted AFR for March 2023

	Period for Compounding					
	<u>Annual</u>	Semiannual	Quarterly	<u>Monthly</u>		
Short-term adjusted AFR	3.41%	3.38%	3.37%	3.36%		
Mid-term adjusted AFR	2.81%	2.79%	2.78%	2.77%		
Long-term adjusted AFR	2.84%	2.82%	2.81%	2.80%		

#### REV. RUL. 2023-5 TABLE 3

Rates Under Section 382 for March 2023	3
Adjusted federal long-term rate for the current month	2.84%
Long-term tax-exempt rate for ownership changes during current month (the highest of the adjusted federal long-te rates for the current month and the prior two months.)	

#### REV. RUL. 2023-5 TABLE 4

Appropriate Percentages Under Section 42(b)(1) for March 2023 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	7.86%
Appropriate percentage for the 30% present value low-income housing credit	3.37%

### Rate Under Section 7520 for March 2023

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

4.40%