

## 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. 2007-50

This revenue ruling provides various prescribed rates for federal income tax purposes for August 2007 (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. 2007-50 TABLE 1

## Applicable Federal Rates (AFR) for August 2007

	<u>Annual</u>	<u>Period for Compounding</u>		<u>Monthly</u>
		<u>Semiannual</u>	<u>Quarterly</u>	
<u>Short-term</u>				
AFR	5.00%	4.94%	4.91%	4.89%
110% AFR	5.50%	5.43%	5.39%	5.37%
120% AFR	6.02%	5.93%	5.89%	5.86%
130% AFR	6.52%	6.42%	6.37%	6.34%
<u>Mid-term</u>				
AFR	5.09%	5.03%	5.00%	4.98%
110% AFR	5.61%	5.53%	5.49%	5.47%
120% AFR	6.13%	6.04%	6.00%	5.97%
130% AFR	6.65%	6.54%	6.49%	6.45%
150% AFR	7.69%	7.55%	7.48%	7.43%
175% AFR	8.99%	8.80%	8.71%	8.64%
<u>Long-term</u>				
AFR	5.31%	5.24%	5.21%	5.18%
110% AFR	5.84%	5.76%	5.72%	5.69%
120% AFR	6.39%	6.29%	6.24%	6.21%
130% AFR	6.93%	6.81%	6.75%	6.72%

## REV. RUL. 2007-50 TABLE 2

## Adjusted AFR for August 2007

	<u>Period for Compounding</u>			
	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>
Short-term adjusted AFR	3.75%	3.72%	3.70%	3.69%
Mid-term adjusted AFR	3.97%	3.93%	3.91%	3.90%
Long-term adjusted AFR	4.50%	4.45%	4.43%	4.41%

## REV. RUL. 2007-50 TABLE 3

## Rates Under Section 382 for August 2007

Adjusted federal long-term rate for the current month	4.50%
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.)	4.50%

## REV. RUL. 2007-50 TABLE 4

## Appropriate Percentages Under Section 42(b)(2) for August 2007

Appropriate percentage for the 70% present value low-income housing credit	8.21%
Appropriate percentage for the 30% present value low-income housing credit	3.52%

REV. RUL. 2007-50 TABLE 5

Rate Under Section 7520 for August 2007

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	6.2%
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