

## 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. 2010-26

This revenue ruling provides various prescribed rates for federal income tax purposes for November 2010 (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, and before December 31, 2013, 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.

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REV. RUL. 2010-26 TABLE 1

Applicable Federal Rates (AFR) for November 2010

	<u>Annual</u>	<u>Period for Compounding</u>		<u>Monthly</u>
		<u>Semiannual</u>	<u>Quarterly</u>	
<u>Short-term</u>				
AFR	.35%	.35%	.35%	.35%
110% AFR	.39%	.39%	.39%	.39%
120% AFR	.42%	.42%	.42%	.42%
130% AFR	.46%	.46%	.46%	.46%
<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	3.35%	3.32%	3.31%	3.30%
110% AFR	3.68%	3.65%	3.63%	3.62%
120% AFR	4.02%	3.98%	3.96%	3.95%
130% AFR	4.37%	4.32%	4.30%	4.28%

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REV. RUL. 2010-26 TABLE 2

Adjusted AFR for November 2010

	<u>Period for Compounding</u>			
	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>
Short-term adjusted AFR	.49%	.49%	.49%	.49%
Mid-term adjusted AFR	1.53%	1.52%	1.52%	1.52%
Long-term adjusted AFR	3.54%	3.51%	3.49%	3.48%

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REV. RUL. 2010-26 TABLE 3

Rates Under Section 382 for November 2010

Adjusted federal long-term rate for the current month	3.54%
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.)	3.86%

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REV. RUL. 2010-26 TABLE 4

Appropriate Percentages Under Section 42(b)(1) for November 2010

Note: Under Section 42(b)(2), the applicable percentage for non-federally subsidized new buildings placed in service after July 30, 2008, and before December 31, 2013, shall not be less than 9%.

Appropriate percentage for the 70% present value low-income housing credit	7.57%
Appropriate percentage for the 30% present value low-income housing credit	3.24%

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REV. RUL. 2010-26 TABLE 5

Rate Under Section 7520 for November 2010

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%
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