

## 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. 2008-11

This revenue ruling provides various prescribed rates for federal income tax purposes for March 2008 (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. 2008-11 TABLE 1

## Applicable Federal Rates (AFR) for March 2008

	<u>Annual</u>	<u>Period for Compounding</u>		<u>Monthly</u>
		<u>Semiannual</u>	<u>Quarterly</u>	
<u>Short-term</u>				
AFR	2.25%	2.24%	2.23%	2.23%
110% AFR	2.48%	2.46%	2.45%	2.45%
120% AFR	2.71%	2.69%	2.68%	2.68%
130% AFR	2.93%	2.91%	2.90%	2.89%
<u>Mid-term</u>				
AFR	2.97%	2.95%	2.94%	2.93%
110% AFR	3.28%	3.25%	3.24%	3.23%
120% AFR	3.57%	3.54%	3.52%	3.51%
130% AFR	3.88%	3.84%	3.82%	3.81%
150% AFR	4.48%	4.43%	4.41%	4.39%
175% AFR	5.23%	5.16%	5.13%	5.11%
<u>Long-term</u>				
AFR	4.27%	4.23%	4.21%	4.19%
110% AFR	4.70%	4.65%	4.62%	4.61%
120% AFR	5.14%	5.08%	5.05%	5.03%
130% AFR	5.58%	5.50%	5.46%	5.44%

## REV. RUL. 2008-11 TABLE 2

## Adjusted AFR for March 2008

	<u>Period for Compounding</u>			
	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>
Short-term adjusted AFR	2.12%	2.11%	2.10%	2.10%
Mid-term adjusted AFR	2.93%	2.91%	2.90%	2.89%
Long-term adjusted AFR	4.11%	4.07%	4.05%	4.04%

## REV. RUL. 2008-11 TABLE 3

## Rates Under Section 382 for March 2008

Adjusted federal long-term rate for the current month	4.11%
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.)	4.25%

## REV. RUL. 2008-11 TABLE 4

## Appropriate Percentages Under Section 42(b)(2) for March 2008

Appropriate percentage for the 70% present value low-income housing credit	7.84%
Appropriate percentage for the 30% present value low-income housing credit	3.36%

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Rate Under Section 7520 for March 2008

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	3.6%
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