

## 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. 2007-63

This revenue ruling provides various prescribed rates for federal income tax purposes for October 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. 2007-63 TABLE 1

## Applicable Federal Rates (AFR) for October 2007

	<u>Annual</u>	<u>Period for Compounding</u>		<u>Monthly</u>
		<u>Semiannual</u>	<u>Quarterly</u>	
		<u>Short-term</u>		
AFR	4.19%	4.15%	4.13%	4.11%
110% AFR	4.62%	4.57%	4.54%	4.53%
120% AFR	5.04%	4.98%	4.95%	4.93%
130% AFR	5.47%	5.40%	5.36%	5.34%
		<u>Mid-term</u>		
AFR	4.35%	4.30%	4.28%	4.26%
110% AFR	4.79%	4.73%	4.70%	4.68%
120% AFR	5.23%	5.16%	5.13%	5.11%
130% AFR	5.67%	5.59%	5.55%	5.53%
150% AFR	6.55%	6.45%	6.40%	6.36%
175% AFR	7.67%	7.53%	7.46%	7.41%
		<u>Long-term</u>		
AFR	4.88%	4.82%	4.79%	4.77%
110% AFR	5.37%	5.30%	5.27%	5.24%
120% AFR	5.86%	5.78%	5.74%	5.71%
130% AFR	6.37%	6.27%	6.22%	6.19%

## REV. RUL. 2007-63 TABLE 2

## Adjusted AFR for October 2007

	<u>Period for Compounding</u>			
	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>
Short-term adjusted AFR	3.60%	3.57%	3.55%	3.54%
Mid-term adjusted AFR	3.79%	3.75%	3.73%	3.72%
Long-term adjusted AFR	4.49%	4.44%	4.42%	4.40%

## REV. RUL. 2007-63 TABLE 3

## Rates Under Section 382 for October 2007

Adjusted federal long-term rate for the current month	4.49%
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. 2007-63 TABLE 4

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

Appropriate percentage for the 70% present value low-income housing credit	8.07%
Appropriate percentage for the 30% present value low-income housing credit	3.46%

REV. RUL. 2007-63 TABLE 5

Rate Under Section 7520 for October 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	5.2%
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