

Part I

Section 1274.—Determination of Issue Price in the Case of Certain Debt Instruments Issued for Property

(Also Sections 382, 1288)

Rev. Rul. 2012-12

This revenue ruling modifies Rev. Rul. 2012-9, 2012-11 I.R.B. 475, which provides various prescribed rates for federal income tax purposes for March 2012, to correct two of the rates.

Table 2 of Rev. Rul. 2012-9 contains short-term, mid-term, and long-term adjusted applicable federal rates (adjusted AFR) for March 2012 for purposes of section 1288(b) of the Internal Revenue Code. The rate published in Table 2 of Rev. Rul. 2012-9 as the annual long-term adjusted AFR (3.47 percent) is corrected to be 2.97 percent.

Table 3 of Rev. Rul. 2012-9 sets forth the adjusted federal long-term rate for March 2012 and the long-term tax-exempt rate described in section 382(f) for March 2012. The rate published in Table 3 of Rev. Rul. 2012-9 as the long-term tax-exempt rate for ownership changes during March 2012 (3.55 percent) is corrected to be 3.47 percent.

EFFECT ON OTHER REVENUE RULING(S)

Rev. Rul. 2012-9 is modified.

PROSPECTIVE APPLICATION

Under the authority of section 7805(b), the corrected rates will not be applied adversely with respect to debt instruments issued on or before March 20, 2012, or to ownership changes that occurred on or before March 20, 2012.

DRAFTING INFORMATION

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