

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

(Also Sections 42, 280G, 382, 467, 468, 482, 483, 1288, 7520, 7872.)

Rev. Rul. 2024-21

This revenue ruling provides various prescribed rates for federal income tax purposes for October 2024 (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, 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.

REV. RUL. 2024-21 TABLE 1

Applicable Federal Rates (AFR) for October 2024

	<u>Annual</u>	<u>Period for Compounding</u>		
		<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>
		<u>Short-term</u>		
AFR	4.21%	4.17%	4.15%	4.13%
110% AFR	4.64%	4.59%	4.56%	4.55%
120% AFR	5.06%	5.00%	4.97%	4.95%
130% AFR	5.49%	5.42%	5.38%	5.36%
		<u>Mid-term</u>		
AFR	3.70%	3.67%	3.65%	3.64%
110% AFR	4.08%	4.04%	4.02%	4.01%
120% AFR	4.45%	4.40%	4.38%	4.36%
130% AFR	4.83%	4.77%	4.74%	4.72%
150% AFR	5.59%	5.51%	5.47%	5.45%
175% AFR	6.52%	6.42%	6.37%	6.34%
		<u>Long-term</u>		
AFR	4.10%	4.06%	4.04%	4.03%
110% AFR	4.52%	4.47%	4.45%	4.43%
120% AFR	4.93%	4.87%	4.84%	4.82%
130% AFR	5.35%	5.28%	5.25%	5.22%

REV. RUL. 2024-21 TABLE 2

Adjusted AFR for October 2024

	<u>Period for Compounding</u>			
	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>
Short-term adjusted AFR	3.20%	3.17%	3.16%	3.15%
Mid-term adjusted AFR	2.81%	2.79%	2.78%	2.77%
Long-term adjusted AFR	3.10%	3.08%	3.07%	3.06%

REV. RUL. 2024-21 TABLE 3

Rates Under Section 382 for October 2024

Adjusted federal long-term rate for the current month	3.10%
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.)	3.42%

REV. RUL. 2024-21 TABLE 4

Appropriate Percentages Under Section 42(b)(1) for October 2024

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

Appropriate percentage for the 70% present value low-income housing credit	7.90%
Appropriate percentage for the 30% present value low-income housing credit	3.39%

REV. RUL. 2024-21 TABLE 5

Rate Under Section 7520 for October 2024

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	4.4%
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