

## 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. 2007-44

This revenue ruling provides various prescribed rates for federal income tax purposes for July 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. 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. Finally, Table 6 contains the blended annual rate for 2007 for purposes of section 7872.

## REV. RUL. 2007-44 TABLE 1

## Applicable Federal Rates (AFR) for July 2007

	<u>Annual</u>	<u>Period for Compounding</u>		<u>Monthly</u>
		<u>Semiannual</u>	<u>Quarterly</u>	
<u>Short-term</u>				
AFR	4.97%	4.91%	4.88%	4.86%
110% AFR	5.47%	5.40%	5.36%	5.34%
120% AFR	5.98%	5.89%	5.85%	5.82%
130% AFR	6.48%	6.38%	6.33%	6.30%
<u>Mid-term</u>				
AFR	4.95%	4.89%	4.86%	4.84%
110% AFR	5.45%	5.38%	5.34%	5.32%
120% AFR	5.96%	5.87%	5.83%	5.80%
130% AFR	6.46%	6.36%	6.31%	6.28%
150% AFR	7.47%	7.34%	7.27%	7.23%
175% AFR	8.74%	8.56%	8.47%	8.41%
<u>Long-term</u>				
AFR	5.15%	5.09%	5.06%	5.04%
110% AFR	5.68%	5.60%	5.56%	5.54%
120% AFR	6.20%	6.11%	6.06%	6.03%
130% AFR	6.73%	6.62%	6.57%	6.53%

## REV. RUL. 2007-44 TABLE 2

## Adjusted AFR for July 2007

	<u>Period for Compounding</u>			
	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>
Short-term adjusted AFR	3.66%	3.63%	3.61%	3.60%
Mid-term adjusted AFR	3.81%	3.77%	3.75%	3.74%
Long-term adjusted AFR	4.32%	4.27%	4.25%	4.23%

## REV. RUL. 2007-44 TABLE 3

## Rates Under Section 382 for July 2007

Adjusted federal long-term rate for the current month	4.32%
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.)	4.32%

## REV. RUL. 2007-44 TABLE 4

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

Appropriate percentage for the 70% present value low-income housing credit	8.18%
Appropriate percentage for the 30% present value low-income housing credit	3.50%

REV. RUL. 2007-44 TABLE 5

Rate Under Section 7520 for July 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	6.0%
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Blended Annual Rate for 2007

Section 7872(e)(2) blended annual rate for 2007	4.92%
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