

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. 2022-18

This revenue ruling provides various prescribed rates for federal income tax purposes for October 2022 (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. 2022-18 TABLE 1
Applicable Federal Rates (AFR) for October 2022

	<u>Period for Compounding</u>			
	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>
	<u>Short-term</u>			
AFR	3.40%	3.37%	3.36%	3.35%
110% AFR	3.74%	3.71%	3.69%	3.68%
120% AFR	4.08%	4.04%	4.02%	4.01%
130% AFR	4.43%	4.38%	4.36%	4.34%
	<u>Mid-term</u>			
AFR	3.28%	3.25%	3.24%	3.23%
110% AFR	3.61%	3.58%	3.56%	3.55%
120% AFR	3.94%	3.90%	3.88%	3.87%
130% AFR	4.27%	4.23%	4.21%	4.19%
150% AFR	4.94%	4.88%	4.85%	4.83%
175% AFR	5.77%	5.69%	5.65%	5.62%
	<u>Long-term</u>			
AFR	3.43%	3.40%	3.39%	3.38%
110% AFR	3.77%	3.74%	3.72%	3.71%
120% AFR	4.12%	4.08%	4.06%	4.05%
130% AFR	4.47%	4.42%	4.40%	4.38%

REV. RUL. 2022-18 TABLE 2

Adjusted AFR for October 2022

	<u>Period for Compounding</u>			
	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>
Short-term adjusted AFR	2.58%	2.56%	2.55%	2.55%
Mid-term adjusted AFR	2.49%	2.47%	2.46%	2.46%
Long-term adjusted AFR	2.60%	2.58%	2.57%	2.57%

REV. RUL. 2022-18 TABLE 3

Rates Under Section 382 for October 2022

Adjusted federal long-term rate for the current month	2.60%
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.)	2.60%

REV. RUL. 2022-18 TABLE 4

Appropriate Percentages Under Section 42(b)(1) for October 2022

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	7.78%
Appropriate percentage for the 30% present value low-income housing credit	3.33%

REV. RUL. 2022-18 TABLE 5

Rate Under Section 7520 for October 2022

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	4.00%
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