

term, and long-term rates are set forth for the month of January 1999. See Rev. Rul. 99-2, on this page.

**Section 482.—Allocation of Income and Deductions Among Taxpayers**

Federal short-term, mid-term, and long-term rates are set forth for the month of January 1999. See Rev. Rul. 99-2, on this page.

**Section 483.—Interest on Certain Deferred Payments**

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of January 1999. See Rev. Rul. 99-2, on this page.

**Section 642.—Special Rules for Credits and Deductions**

Federal short-term, mid-term, and long-term rates are set forth for the month of January 1999. See Rev. Rul. 99-2, on this page.

**Section 807.—Rules for Certain Reserves**

The adjusted applicable federal short-term, mid-

term, and long-term rates are set forth for the month of January 1999. See Rev. Rul. 99-2, on this page.

**Section 846.—Discounted Unpaid Losses Defined**

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of January 1999. See Rev. Rul. 99-2, on this page.

**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.)

**Federal rates; adjusted federal rates; adjusted federal long-term rate, and the long-term exempt rate.** For purposes of sections 1274, 1288, 382, and other sections of the Code, tables set forth the rates for January 1999.

**Rev. Rul. 99-2**

This revenue ruling provides various prescribed rates for federal income tax purposes for January 1999 (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 deemed rate of return for transfers made during calendar year 1999 to pooled income funds described in section 642(c)(5) that have been in existence for less than 3 taxable years immediately preceding the taxable year in which the transfer is made.

REV. RUL. 99-2 TABLE 1  
Applicable Federal Rates (AFR) for January 1999

	<i>Period for Compounding</i>			
	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
<i>Short-Term</i>				
AFR	4.57%	4.52%	4.49%	4.48%
110% AFR	5.03%	4.97%	4.94%	4.92%
120% AFR	5.49%	5.42%	5.38%	5.36%
130% AFR	5.97%	5.88%	5.84%	5.81%
<i>Mid-Term</i>				
AFR	4.64%	4.59%	4.56%	4.55%
110% AFR	5.11%	5.05%	5.02%	5.00%
120% AFR	5.59%	5.51%	5.47%	5.45%
130% AFR	6.06%	5.97%	5.93%	5.90%
150% AFR	7.01%	6.89%	6.83%	6.79%
175% AFR	8.19%	8.03%	7.95%	7.90%
<i>Long-Term</i>				
AFR	5.21%	5.14%	5.11%	5.09%
110% AFR	5.73%	5.65%	5.61%	5.58%
120% AFR	6.27%	6.17%	6.12%	6.09%
130% AFR	6.79%	6.68%	6.63%	6.59%

REV. RUL. 99-2 TABLE 2  
Adjusted AFR for January 1999

*Period for Compounding*

	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
Short-term adjusted AFR	3.08%	3.06%	3.05%	3.04%
Mid-term adjusted AFR	3.86%	3.82%	3.80%	3.79%
Long-term adjusted AFR	4.70%	4.65%	4.62%	4.61%

REV. RUL. 99-2 TABLE 3

Rates Under Section 382 for January 1999

Adjusted federal long-term rate for the current month	4.70%
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.)	4.70%

REV. RUL. 99-2 TABLE 4

Appropriate Percentages Under Section 42(b)(2) for January 1999

Appropriate percentage for the 70% present value low-income housing credit	8.15%
Appropriate percentage for the 30% present value low-income housing credit	3.49%

REV. RUL. 99-2 TABLE 5

Rate Under Section 7520 for January 1999

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	5.6%
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REV. RUL. 99-2 TABLE 6

Deemed Rate for Transfers to New Pooled Income Funds During 1999

Deemed rate of return for transfers during 1999 to pooled income funds that have been in existence for less than 3 taxable years	6.8%
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