

## 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. 2008-20

This revenue ruling provides various prescribed rates for federal income tax purposes for April 2008 (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. 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. 2008-20 TABLE 1

Applicable Federal Rates (AFR) for April 2008

	<u>Annual</u>	<u>Period for Compounding</u>		<u>Monthly</u>
		<u>Semiannual</u>	<u>Quarterly</u>	
<u>Short-term</u>				
AFR	1.85%	1.84%	1.84%	1.83%
110% AFR	2.03%	2.02%	2.01%	2.01%
120% AFR	2.22%	2.21%	2.20%	2.20%
130% AFR	2.40%	2.39%	2.38%	2.38%
<u>Mid-term</u>				
AFR	2.87%	2.85%	2.84%	2.83%
110% AFR	3.16%	3.14%	3.13%	3.12%
120% AFR	3.45%	3.42%	3.41%	3.40%
130% AFR	3.74%	3.71%	3.69%	3.68%
150% AFR	4.33%	4.28%	4.26%	4.24%
175% AFR	5.05%	4.99%	4.96%	4.94%
<u>Long-term</u>				
AFR	4.40%	4.35%	4.33%	4.31%
110% AFR	4.85%	4.79%	4.76%	4.74%
120% AFR	5.29%	5.22%	5.19%	5.16%
130% AFR	5.74%	5.66%	5.62%	5.59%



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Adjusted AFR for April 2008

	<u>Period for Compounding</u>			
	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>
Short-term adjusted AFR	1.99%	1.98%	1.98%	1.97%
Mid-term adjusted AFR	3.28%	3.25%	3.24%	3.23%
Long-term adjusted AFR	4.55%	4.50%	4.47%	4.46%

REV. RUL. 2008-20 TABLE 3

Rates Under Section 382 for April 2008

Adjusted federal long-term rate for the current month	4.55%
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.)	4.55%

REV. RUL. 2008-20 TABLE 4

Appropriate Percentages Under Section 42(b)(2) for April 2008

Appropriate percentage for the 70% present value low-income housing credit	7.84%
Appropriate percentage for the 30% present value low-income housing credit	3.36%



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Rate Under Section 7520 for April 2008

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	3.4%
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