

# Part I. Rulings and Decisions Under the Internal Revenue Code of 1986

## Section 42.—Low-Income Housing Credit

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of September 1996. See Rev. Rul. 96-43, on this page.

## Section 280G.—Golden Parachute Payments

Federal short-term, mid-term, and long-term rates are set forth for the month of September 1996. See Rev. Rul. 96-43, on this page.

## Section 382.—Limitation on Net Operating Loss Carryforwards and Certain Built-In Losses Following Ownership Change

The adjusted federal long-term rate is set forth for the month of September 1996. See Rev. Rul. 96-43, on this page.

## Section 412.—Minimum Funding Standards

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of September 1996. See Rev. Rul. 96-43, on this page.

## Section 467.—Certain Payments for the Use of Property or Services

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of September 1996. See Rev. Rul. 96-43, on this page.

## Section 468.—Special Rules for Mining and Solid Waste Reclamation and Closing Costs

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of September 1996. See Rev. Rul. 96-43, 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 September 1996. See Rev. Rul. 96-43, 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 September 1996. See Rev. Rul. 96-43, 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 September 1996. See Rev. Rul. 96-43, 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, 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 September 1996.

## Rev. Rul. 96-43

This revenue ruling provides various prescribed rates for federal income tax purposes for September 1996 (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. 96-43 TABLE 1

Applicable Federal Rates (AFR) for September 1996

	<i>Period for Compounding</i>			
	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
<i>Short-Term</i>				
AFR	6.02%	5.93%	5.89%	5.86%
110% AFR	6.63%	6.52%	6.47%	6.43%
120% AFR	7.25%	7.12%	7.06%	7.02%
130% AFR	7.86%	7.71%	7.64%	7.59%
<i>Mid-Term</i>				
AFR	6.64%	6.53%	6.48%	6.44%
110% AFR	7.31%	7.18%	7.12%	7.07%
120% AFR	7.99%	7.84%	7.76%	7.71%
130% AFR	8.67%	8.49%	8.40%	8.34%
150% AFR	10.04%	9.80%	9.68%	9.61%
175% AFR	11.76%	11.43%	11.27%	11.17%
<i>Long-Term</i>				
AFR	7.03%	6.91%	6.85%	6.81%
110% AFR	7.74%	7.60%	7.53%	7.48%
120% AFR	8.46%	8.29%	8.21%	8.15%
130% AFR	9.18%	8.98%	8.88%	8.82%

REV. RUL. 96-43 TABLE 2				
Adjusted AFR for September 1996				
	<i>Annual</i>	<i>Period for Compounding</i>		<i>Monthly</i>
		<i>Semiannual</i>	<i>Quarterly</i>	
Short-term adjusted AFR	4.00%	3.96%	3.94%	3.93%
Mid-term adjusted AFR	4.69%	4.64%	4.61%	4.60%
Long-term adjusted AFR	5.63%	5.55%	5.51%	5.49%

REV. RUL. 96-43 TABLE 3	
Rates Under Section 382 for September 1996	
Adjusted federal long-term rate for the current month	5.63%
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.)	5.80%

REV. RUL. 96-43 TABLE 4	
Appropriate Percentages Under Section 42(b)(2) for September 1996	
Appropriate percentage for the 70% present value low-income housing credit	8.61%
Appropriate percentage for the 30% present value low-income housing credit	3.69%

REV. RUL. 96-43 TABLE 5	
Rate Under Section 7520 for September 1996	
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	8.0%

**Section 1288.—Treatment of Original Issue Discount on Tax-Exempt Obligations**

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of September 1996. See Rev. Rul. 96-43, page 4.

**Section 7520.—Valuation Tables**

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of September 1996. See Rev. Rul. 96-43, page 4.

**Section 7872.—Treatment of Loans with Below-Market Interest Rates**

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of September 1996. See Rev. Rul. 96-43, page 4.