

# **TIMEVALUE SOFTWARE**

## **APPLICABLE FEDERAL RATES**

### AFR SUBSCRIPTION SERVICE

#### **AFR RATES FOR OCTOBER 2023**

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. 2023-18

This revenue ruling provides various prescribed rates for federal income tax purposes for October 2023 (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.

# TIMEVALUE SOFTWARE AFR SUBSCRIPTION SERVICE

## REV. RUL. 2023-18 TABLE 1

Applicable Federal Rates (AFR) for October 2023

Period for Compounding

	Annual	Semiannual	Quarterly	Monthly
Short-term				
AFR	5.22%	5.15%	5.12%	5.10%
110% AFR	5.75%	5.67%	5.63%	5.60%
120% AFR	6.28%	6.18%	6.13%	6.10%
130% AFR	6.81%	6.70%	6.64%	6.61%
Mid-term				
AFR	4.43%	4.38%	4.36%	4.34%
110% AFR	4.88%	4.82%	4.79%	4.77%
120% AFR	5.33%	5.26%	5.23%	5.20%
130% AFR	5.77%	5.69%	5.65%	5.62%
150% AFR	6.68%	6.57%	6.52%	6.48%
175% AFR	7.82%	7.67%	7.60%	7.55%
Long-term				
AFR	4.46%	4.41%	4.39%	4.37%
110% AFR	4.91%	4.85%	4.82%	4.80%
120% AFR	5.36%	5.29%	5.26%	5.24%
130% AFR	5.81%	5.73%	5.69%	5.66%

**REV. RUL. 2023-18 TABLE 2**

Applicable Federal Rates (AFR) for October 2023

Period for Compounding

	<b>Annual</b>	<b>Semiannual</b>	<b>Quarterly</b>	<b>Monthly</b>
Short-term adjusted AFR	3.95%	3.91%	3.89%	3.88%
Mid-term adjusted AFR	3.36%	3.33%	3.32%	3.31%
Long-term adjusted AFR	3.38%	3.35%	3.34%	3.33%

**REV. RUL. 2023-18 TABLE 3**

Rates Under Section 382 for October 2023

Adjusted federal long-term rate for the current month	3.38%
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.)	3.38%

**REV. RUL. 2023-18 TABLE 4**

Appropriate Percentages Under Section 42(b)(1) for October 2023

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	8.03%
Appropriate percentage for the 30% present value low-income housing credit	3.44%

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**REV. RUL. 2023-18 TABLE 5**

Rate Under Section 7520 for October 2023

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	5.40%
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