

# **TIMEVALUE SOFTWARE**

## **APPLICABLE FEDERAL RATES**

### AFR SUBSCRIPTION SERVICE

#### **AFR RATES FOR DECEMBER 2018**

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. 2018-30

This revenue ruling provides various prescribed rates for federal income tax purposes for December 2018 (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. 2018-30 TABLE 1

### Applicable Federal Rates (AFR) for December 2018

	<u>Annual</u>	<u>Period for Compounding</u>		<u>Monthly</u>
		<u>Semiannual</u>	<u>Quarterly</u>	
<u>Short-term</u>				
AFR	2.76%	2.74%	2.73%	2.72%
110% AFR	3.03%	3.01%	3.00%	2.99%
120% AFR	3.32%	3.29%	3.28%	3.27%
130% AFR	3.59%	3.56%	3.54%	3.53%
<u>Mid-term</u>				
AFR	3.07%	3.05%	3.04%	3.03%
110% AFR	3.39%	3.36%	3.35%	3.34%
120% AFR	3.69%	3.66%	3.64%	3.63%
130% AFR	4.01%	3.97%	3.95%	3.94%
150% AFR	4.63%	4.58%	4.55%	4.54%
175% AFR	5.41%	5.34%	5.30%	5.28%
<u>Long-term</u>				
AFR	3.31%	3.28%	3.27%	3.26%
110% AFR	3.64%	3.61%	3.59%	3.58%
120% AFR	3.98%	3.94%	3.92%	3.91%
130% AFR	4.31%	4.26%	4.24%	4.22%

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## REV. RUL. 2018-30 TABLE 2

### Adjusted AFR for December 2018

	<u>Period for Compounding</u>			
	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>
Short-term adjusted AFR	2.09%	2.08%	2.07%	2.07%
Mid-term adjusted AFR	2.33%	2.32%	2.31%	2.31%
Long-term adjusted AFR	2.51%	2.49%	2.48%	2.48%

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## REV. RUL. 2018-30 TABLE 3

### Rates Under Section 382 for December 2018

Adjusted federal long-term rate for the current month	2.51%
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.)	2.51%

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## REV. RUL. 2018-30 TABLE 4

Appropriate Percentages Under Section 42(b)(1) for December 2018  
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	7.74%
Appropriate percentage for the 30% present value low-income housing credit	3.32%

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## REV. RUL. 2018-30 TABLE 5

### Rate Under Section 7520 for December 2018

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	3.6%
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