

## 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. 2008-24

This revenue ruling provides various prescribed rates for federal income tax purposes for May 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. 2008-24 TABLE 1

Applicable Federal Rates (AFR) for May 2008

	<u>Annual</u>	<u>Period for Compounding</u>		<u>Monthly</u>
		<u>Semiannual</u>	<u>Quarterly</u>	
<u>Short-term</u>				
AFR	1.64%	1.63%	1.63%	1.62%
110% AFR	1.80%	1.79%	1.79%	1.78%
120% AFR	1.97%	1.96%	1.96%	1.95%
130% AFR	2.13%	2.12%	2.11%	2.11%
<u>Mid-term</u>				
AFR	2.74%	2.72%	2.71%	2.70%
110% AFR	3.01%	2.99%	2.98%	2.97%
120% AFR	3.29%	3.26%	3.25%	3.24%
130% AFR	3.57%	3.54%	3.52%	3.51%
150% AFR	4.12%	4.08%	4.06%	4.05%
175% AFR	4.82%	4.76%	4.73%	4.71%
<u>Long-term</u>				
AFR	4.21%	4.17%	4.15%	4.13%
110% AFR	4.64%	4.59%	4.56%	4.55%
120% AFR	5.06%	5.00%	4.97%	4.95%
130% AFR	5.49%	5.42%	5.38%	5.36%



REV. RUL. 2008-24 TABLE 2

Adjusted AFR for May 2008

	<u>Period for Compounding</u>			
	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>
Short-term adjusted AFR	2.07%	2.06%	2.05%	2.05%
Mid-term adjusted AFR	3.17%	3.15%	3.14%	3.13%
Long-term adjusted AFR	4.71%	4.66%	4.63%	4.62%

REV. RUL. 2008-24 TABLE 3

Rates Under Section 382 for May 2008

Adjusted federal long-term rate for the current month	4.71%
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.)	4.71%

REV. RUL. 2008-24 TABLE 4

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

Appropriate percentage for the 70% present value low-income housing credit	7.80%
Appropriate percentage for the 30% present value low-income housing credit	3.34%



REV. RUL. 2008-24 TABLE 5

Rate Under Section 7520 for May 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

3.2%