

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. 2004-102

This revenue ruling provides various prescribed rates for federal income tax purposes for November 2004 (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. 2004-102 TABLE 1

Applicable Federal Rates (AFR) for November 2004

	<u>Annual</u>	<u>Period for Compounding</u>		<u>Monthly</u>
		<u>Semiannual</u>	<u>Quarterly</u>	
<u>Short-term</u>				
AFR	2.37%	2.36%	2.35%	2.35%
110% AFR	2.62%	2.60%	2.59%	2.59%
120% AFR	2.85%	2.83%	2.82%	2.81%
130% AFR	3.09%	3.07%	3.06%	3.05%
<u>Mid-term</u>				
AFR	3.55%	3.52%	3.50%	3.49%
110% AFR	3.91%	3.87%	3.85%	3.84%
120% AFR	4.26%	4.22%	4.20%	4.18%
130% AFR	4.63%	4.58%	4.55%	4.54%
150% AFR	5.35%	5.28%	5.25%	5.22%
175% AFR	6.25%	6.16%	6.11%	6.08%
<u>Long-term</u>				
AFR	4.70%	4.65%	4.62%	4.61%
110% AFR	5.19%	5.12%	5.09%	5.07%
120% AFR	5.66%	5.58%	5.54%	5.52%
130% AFR	6.14%	6.05%	6.00%	5.98%

REV. RUL. 2004-102 TABLE 2

Adjusted AFR for November 2004

	<u>Annual</u>	<u>Period for Compounding</u>		<u>Monthly</u>
		<u>Semiannual</u>	<u>Quarterly</u>	
Short-term adjusted AFR	1.68%	1.67%	1.67%	1.66%
Mid-term adjusted AFR	2.80%	2.78%	2.77%	2.76%
Long-term adjusted AFR	4.20%	4.16%	4.14%	4.12%

REV. RUL. 2004-102 TABLE 3

Rates Under Section 382 for November 2004

Adjusted federal long-term rate for the current month	4.20%
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.)	4.51%

REV. RUL. 2004-102 TABLE 4

Appropriate Percentages Under Section 42(b)(2) for November 2004

Appropriate percentage for the 70% present value low-income housing credit	7.96%
Appropriate percentage for the 30% present value low-income housing credit	3.41%

REV. RUL. 2004-102 TABLE 5

Rate Under Section 7520 for November 2004

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	4.20%
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