

# Part I

## 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. 2021-4

This revenue ruling provides various prescribed rates for federal income tax

purposes for February 2021 (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 appropri-

ate 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.

**REV. RUL. 2021-4 TABLE 1**  
Applicable Federal Rates (AFR) for February 2021  
*Period for Compounding*

	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
<i>Short-term</i>				
AFR	0.12%	0.12%	0.12%	0.12%
110% AFR	0.13%	0.13%	0.13%	0.13%
120% AFR	0.14%	0.14%	0.14%	0.14%
130% AFR	0.16%	0.16%	0.16%	0.16%
<i>Mid-term</i>				
AFR	0.56%	0.56%	0.56%	0.56%
110% AFR	0.62%	0.62%	0.62%	0.62%
120% AFR	0.67%	0.67%	0.67%	0.67%
130% AFR	0.73%	0.73%	0.73%	0.73%
150% AFR	0.84%	0.84%	0.84%	0.84%
175% AFR	0.98%	0.98%	0.98%	0.98%
<i>Long-term</i>				
AFR	1.46%	1.45%	1.45%	1.45%
110% AFR	1.61%	1.60%	1.60%	1.59%
120% AFR	1.75%	1.74%	1.74%	1.73%
130% AFR	1.90%	1.89%	1.89%	1.88%

**REV. RUL. 2021-4 TABLE 2**  
Adjusted AFR for February 2021  
*Period for Compounding*

	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
Short-term adjusted AFR	0.09%	0.09%	0.09%	0.09%
Mid-term adjusted AFR	0.43%	0.43%	0.43%	0.43%
Long-term adjusted AFR	1.10%	1.10%	1.10%	1.10%

**REV. RUL. 2021-4 TABLE 3**

Rates Under Section 382 for February 2021

Adjusted federal long-term rate for the current month	1.10%
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.)	1.10%

**REV. RUL. 2021-4 TABLE 4**

Appropriate Percentages Under Section 42(b)(1) for February 2021

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	7.23%
Appropriate percentage for the 30% present value low-income housing credit	3.10%

**REV. RUL. 2021-4 TABLE 5**

Rate Under Section 7520 for February 2021

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	.6%
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**Section 42.—Low-Income Housing Credit**

The applicable federal short-term, mid-term, and long-term rates are set forth for the month of February 2021. See Rev. Rul. 2021-4, page 724.

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

The applicable federal short-term, mid-term, and long-term rates are set forth for the month of February 2021. See Rev. Rul. 2021-4, page 724.

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**Section 483.—Interest on Certain Deferred Payments**

The applicable federal short-term, mid-term, and long-term rates are set forth for the month of February 2021. See Rev. Rul. 2021-4, page 724.

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**Section 280G.—Golden Parachute Payments**

The applicable federal short-term, mid-term, and long-term rates are set forth for the month of February 2021. See Rev. Rul. 2021-4, page 724.

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

The applicable federal short-term rates are set forth for the month of February 2021. See Rev. Rul. 2021-4, page 724.

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**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 February 2021. See Rev. Rul. 2021-4, page 724.

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

The adjusted applicable federal long-term rate is set forth for the month of February 2021. See Rev. Rul. 2021-4, page 724.

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**Section 482.—Allocation of Income and Deductions Among Taxpayers**

The applicable federal short-term, mid-term, and long-term rates are set forth for the month of February 2021. See Rev. Rul. 2021-4, page 724.

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**Section 7520.—Valuation Tables**

The applicable federal mid-term rates are set forth for the month of February 2021. See Rev. Rul. 2021-4, page 724.

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

The applicable federal short-term, mid-term, and long-term rates are set forth for the month of February 2021. See Rev. Rul. 2021-4, page 724.

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