

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. 2025-12

This revenue ruling provides various prescribed rates for federal income tax purposes for June 2025 (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.

REV. RUL. 2025-12 TABLE 1

Applicable Federal Rates (AFR) for June 2025

	<u>Annual</u>	<u>Period for Compounding</u>		
		<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>
		<u>Short-term</u>		
AFR	4.00%	3.96%	3.94%	3.93%
110% AFR	4.41%	4.36%	4.34%	4.32%
120% AFR	4.81%	4.75%	4.72%	4.70%
130% AFR	5.22%	5.15%	5.12%	5.10%
		<u>Mid-term</u>		
AFR	4.07%	4.03%	4.01%	4.00%
110% AFR	4.48%	4.43%	4.41%	4.39%
120% AFR	4.90%	4.84%	4.81%	4.79%
130% AFR	5.31%	5.24%	5.21%	5.18%
150% AFR	6.14%	6.05%	6.00%	5.98%
175% AFR	7.17%	7.05%	6.99%	6.95%
		<u>Long-term</u>		
AFR	4.77%	4.71%	4.68%	4.66%
110% AFR	5.25%	5.18%	5.15%	5.12%
120% AFR	5.73%	5.65%	5.61%	5.58%
130% AFR	6.21%	6.12%	6.07%	6.04%

REV. RUL. 2025-12 TABLE 2

Adjusted AFR for June 2025

	<u>Period for Compounding</u>			
	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>
Short-term adjusted AFR	3.03%	3.01%	3.00%	2.99%
Mid-term adjusted AFR	3.08%	3.06%	3.05%	3.04%
Long-term adjusted AFR	3.61%	3.58%	3.56%	3.55%

REV. RUL. 2025-12 TABLE 3

Rates Under Section 382 for June 2025

Adjusted federal long-term rate for the current month	3.61%
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.)	3.61%

REV. RUL. 2025-12 TABLE 4

Appropriate Percentages Under Section 42(b)(1) for June 2025

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%

REV. RUL. 2025-12 TABLE 5

Rate Under Section 7520 for June 2025

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	5.00%
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