

Part I. Rulings and Decisions Under the Internal Revenue Code of 1986

Section 42.—Low-Income Housing Credit

The adjusted applicable federal short-term, mid-term and long-term rates are set forth for the month of July 2000. See Rev. Rul. 2000–32, on this page.

Section 280G.—Golden Parachute Payments

Federal short-term, mid-term, and long-term rates are set forth for the month of July 2000. See Rev. Rul. 2000–32, on this page.

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 July 2000. See Rev. Rul. 2000–32, on this page.

Section 412.—Minimum Funding Standards

The adjusted applicable federal short-term, mid-term and long-term rates are set forth for the month of July 2000. See Rev. Rul. 2000–32, on this page.

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

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of July 2000. See Rev. Rul. 2000–32, on this page.

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

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of July 2000. See Rev. Rul. 2000–32, on this page.

Section 482.—Allocation of Income and Deductions Among Taxpayers

Federal short-term, mid-term, and long-term rates are set forth for the month of July 2000. See Rev. Rul. 2000–32, on this page.

Section 483.—Interest on Certain Deferred Payments

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of July 2000. See Rev. Rul. 2000–32, on this page.

Section 642.—Special Rules for Credits and Deductions

Federal short-term, mid-term, and long-term rates are set forth for the month of July 2000. See Rev. Rul. 2000–32, on this page.

Section 807.—Rules for Certain Reserves

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of July 2000. See Rev. Rul. 2000–32, on this page.

Section 846.—Discounted Unpaid Losses Defined

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of July 2000. See Rev. Rul. 2000–32, on this page.

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.)

Federal rates; adjusted federal rates; adjusted federal long-term rate, and the long-term exempt rate. For purposes of sections 1274, 1288, 382, and other sections of the Code, tables set forth the rates for July 2000.

Rev. Rul. 2000–32

This revenue ruling provides various prescribed rates for federal income tax purposes for July 2000 (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. 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. Finally, Table 6 contains the blended annual rate for purposes of section 7872.

REV. RUL. 2000-32 TABLE 1
Applicable Federal Rates (AFR) for July 2000
Period for Compounding

	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
<i>Short-Term</i>				
AFR	6.60%	6.49%	6.44%	6.40%
110% AFR	7.27%	7.14%	7.08%	7.04%
120% AFR	7.94%	7.79%	7.72%	7.67%
130% AFR	8.62%	8.44%	8.35%	8.30%
<i>Mid-Term</i>				
AFR	6.62%	6.51%	6.46%	6.42%
110% AFR	7.29%	7.16%	7.10%	7.06%
120% AFR	7.96%	7.81%	7.74%	7.69%
130% AFR	8.64%	8.46%	8.37%	8.31%
150% AFR	10.01%	9.77%	9.65%	9.58%
175% AFR	11.71%	11.39%	11.23%	11.13%
<i>Long-Term</i>				
AFR	6.40%	6.30%	6.25%	6.22%
110% AFR	7.05%	6.93%	6.87%	6.83%
120% AFR	7.70%	7.56%	7.49%	7.44%
130% AFR	8.36%	8.19%	8.11%	8.05%

REV. RUL. 2000-32 TABLE 2
Adjusted AFR for July 2000
Period for Compounding

	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
Short-term adjusted AFR	4.88%	4.82%	4.79%	4.77%
Mid-term adjusted AFR	5.12%	5.06%	5.03%	5.01%
Long-term adjusted AFR	5.79%	5.71%	5.67%	5.64%

REV. RUL. 2000-32 TABLE 3
Rates Under Section 382 for July 2000

Adjusted federal long-term rate for the current month	5.79%
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.)	5.79%

REV. RUL. 2000-32 TABLE 4
Appropriate Percentages Under Section 42(b)(2)
for July 2000

Appropriate percentage for the 70% present value low-income housing credit	8.53%
Appropriate percentage for the 30% present value low-income housing credit	3.66%

REV. RUL. 2000-32 TABLE 5
Rate Under Section 7520 for July 2000

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

8.0%

REV. RUL. 2000-32 TABLE 6
Blended Annual Rate for 2000

Section 7872(e)(2) blended annual rate for 2000

6.24%

Section 1288.—Treatment of Original Issue Discounts on Tax-Exempt Obligations

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of July 2000. See Rev. Rul. 2000-32, page 1.

Section 6049.—Returns Regarding Payments of Interest

26 CFR 1.6049-7: Returns of information with respect to REMIC regular interests and collateralized debt obligations.

T.D. 8888

**DEPARTMENT OF THE TREASURY
Internal Revenue Service
26 CFR Part 1**

Real Estate Mortgage Investment Conduits; Reporting Requirements and Other Administrative Matters

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final regulations.

SUMMARY: This document eliminates the regulatory requirement that the issuer of a collateralized debt obligation (CDO) or regular interest in a real estate mortgage investment conduit (REMIC) set forth certain information on the face of the CDO or regular interest. This action eliminates a reporting burden imposed on issuers of CDOs and regular interests.

EFFECTIVE DATE: These regulations are effective June 16, 2000.

FOR FURTHER INFORMATION CONTACT: Kenneth Christman, (202) 622-3950 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:

Background

On May 19, 1999, the IRS published in the Federal Register a notice of proposed rulemaking (REG-100905-97, 1999-22 I.R.B. 10 [64 F.R. 27221]) intending to eliminate the regulatory requirement that certain information be set forth on the face of a certificate representing a CDO or REMIC regular interest.

The public hearing scheduled for September 13, 1999, was canceled because no one requested to speak, and the only written comment received supports finalizing the regulations in the form proposed. This Treasury decision, therefore, adopts the proposed regulations with no change.

Special Analyses

It has been determined that this Treasury decision is not a significant regulatory action as defined in Executive Order 12866. Therefore, a regulatory assessment is not required. It has also been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) does not apply to these regulations, and, because the regulations do not impose a collection of information on small entities, the Regulatory Flexibility Act (5 U.S.C. chapter 6) does not apply. Pursuant to section 7805(f) of the Internal Revenue Code, the notice of proposed rulemaking preceding these regulations was submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business.

Drafting Information

The principal author of these regulations is Kenneth Christman, Office of Assistant Chief Counsel (Financial Institutions and Products). However, other personnel from the IRS and Treasury Department participated in their development.

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Adoption of Amendments to the Regulations

Accordingly, 26 CFR part 1 is amended as follows:

PART 1—INCOME TAXES

Paragraph 1. The authority citation for part 1 continues to read in part as follows:

Authority: 26 U.S.C. 7805 * * *

§1.6049-7 [Amended]

Par. 2. In §1.6049-7, paragraph (g) is removed.

John M. Dalrymple,
*Acting Deputy Commissioner
of Internal Revenue.*

Approved June 1, 2000.

Jonathan Talisman,
*Deputy Assistant Secretary
of the Treasury.*

(Filed by the Office of the Federal Register on June 15, 2000, 8:45 a.m., and published in the issue of the Federal Register for June 16, 2000, 65 F.R. 37701)

Section 7520.—Valuation Tables

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of July 2000. See Rev. Rul. 2000-32, page 1.

26 CFR Section 20.7520-1.—Valuation of annuities, unitrust interests, interests for life or terms of years, and remainder or reversionary interests.

T.D. 8886

**DEPARTMENT OF THE TREASURY
Internal Revenue Service
26 CFR Parts 1, 20, and 25**