

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 August 2004. See Rev. Rul. 2004-84, page 163.

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 382, 642, 1274, 1288, and other sections of the Code, tables set forth the rates for August 2004.

Rev. Rul. 2004-84

This revenue ruling provides various prescribed rates for federal income tax purposes for August 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 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. 2004-84 TABLE 1

Applicable Federal Rates (AFR) for August 2004

	<i>Period for Compounding</i>			
	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
<i>Short-Term</i>				
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%
<i>Mid-Term</i>				
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%
150% AFR	6.03%	5.94%	5.90%	5.87%
175% AFR	7.05%	6.93%	6.87%	6.83%
<i>Long-Term</i>				
AFR	5.21%	5.14%	5.11%	5.09%
110% AFR	5.73%	5.65%	5.61%	5.58%
120% AFR	6.27%	6.17%	6.12%	6.09%
130% AFR	6.79%	6.68%	6.63%	6.59%

REV. RUL. 2004-84 TABLE 2

Adjusted AFR for August 2004

	<i>Period for Compounding</i>			
	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
Short-term adjusted AFR	1.71%	1.70%	1.70%	1.69%
Mid-term adjusted AFR	3.30%	3.27%	3.26%	3.25%
Long-term adjusted AFR	4.64%	4.59%	4.56%	4.55%

REV. RUL. 2004-84 TABLE 3
Rates Under Section 382 for August 2004

Adjusted federal long-term rate for the current month	4.64%
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.)	4.72%

REV. RUL. 2004-84 TABLE 4
Appropriate Percentages Under Section 42(b)(2) for August 2004

Appropriate percentage for the 70% present value low-income housing credit	8.07%
Appropriate percentage for the 30% present value low-income housing credit	3.46%

REV. RUL. 2004-84 TABLE 5
Rate Under Section 7520 for August 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	4.8%
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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 August 2004. See Rev. Rul. 2004-84, page 163.

Section 1361.—S Corporation Defined

Under what circumstances can an eligible entity request relief for a late S corporation election when the entity also fails to timely file an election to be classified as an association taxable as a corporation? See Rev. Proc. 2004-48, page 172.

Section 1362.—Election; Revocation; Termination

Under what circumstances can an eligible entity request relief for a late S corporation election when the entity also fails to timely file an election to be classified as an association taxable as a corporation? See Rev. Proc. 2004-48, page 172.

Section 2056.—Bequests, etc., to Surviving Spouse

Simplified alternate procedure (in lieu of requesting a letter ruling) for certain executors of estates and trustees of trusts in order to request relief to make a late reverse qualified terminable interest property

(QTIP) election under section 2652 of the Code. See Rev. Proc. 2004-47, page 169.

Section 2632.—Special Rules for Allocation of GST Exemption

26 CFR 26.2632-1: Allocation of GST exemption.

Simplified alternate procedure (in lieu of requesting a letter ruling) for certain executors of estates and trustees of trusts in order to request relief to make a late reverse qualified terminable interest property (QTIP) election under section 2652 of the Code. See Rev. Proc. 2004-47, page 169.

Section 2652.—Other Definitions

26 CFR 26.2652-1: Transferor defined; other definitions.

26 CFR 26.2652-2: Special election for qualified terminable interest property.

Simplified alternate procedure (in lieu of requesting a letter ruling) for certain executors of estates and trustees of trusts in order to request relief to make a late reverse qualified terminable interest property (QTIP) election under section 2652 of the Code. See Rev. Proc. 2004-47, page 169.

Section 4051.—Imposition of Tax on Heavy Trucks and Trailers Sold at Retail

26 CFR 145.4051-1: Imposition of tax on heavy trucks and trailers sold at retail.

Retail excise tax; highway tractor; truck. This ruling applies the primarily designed tests in section 145.4051-1(e)(1) and (2) of the regulations under the Highway Revenue Act of 1982 (Pub. L. 97-424) for purposes of determining whether a vehicle is a truck or a highway tractor.

Rev. Rul. 2004-80

ISSUE

Is the vehicle described below a truck or a tractor for purposes of the retail excise tax imposed by § 4051 of the Internal Revenue Code?

FACTS

The vehicle tows trailers and semitrailers (trailers); the trailers exceed 35 feet in length and have a gross vehicle weight (GVW) rating of 20,000 pounds. The vehicle has a standard chassis cab (4-door with crew cab), accommodating five passengers, and is outfitted with certain luxury features. The cab has an electric trailer