

# 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. 2021-12

This revenue ruling provides various prescribed rates for federal income

tax purposes for July 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 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%. 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 2021 for purposes of section 7872.

<b>REV. RUL. 2021-12 TABLE 1</b>				
Applicable Federal Rates (AFR) for July 2021				
	<i>Period for Compounding</i>			
	<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	1.00%	1.00%	1.00%	1.00%
110% AFR	1.10%	1.10%	1.10%	1.10%
120% AFR	1.20%	1.20%	1.20%	1.20%
130% AFR	1.30%	1.30%	1.30%	1.30%
150% AFR	1.51%	1.50%	1.50%	1.50%
175% AFR	1.76%	1.75%	1.75%	1.74%
		<i>Long-term</i>		
AFR	2.07%	2.06%	2.05%	2.05%
110% AFR	2.28%	2.27%	2.26%	2.26%
120% AFR	2.49%	2.47%	2.46%	2.46%
130% AFR	2.70%	2.68%	2.67%	2.67%

<b>REV. RUL. 2021-12 TABLE 2</b>				
Adjusted AFR for July 2021				
	<i>Period for Compounding</i>			
	<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	0.76%	0.76%	0.76%	0.76%
Long-term adjusted AFR	1.57%	1.56%	1.56%	1.55%

**REV. RUL. 2021-12 TABLE 3**  
Rates Under Section 382 for July 2021

Adjusted federal long-term rate for the current month	1.57%
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.)	1.64%

**REV. RUL. 2021-12 TABLE 4**  
Appropriate Percentages Under Section 42(b)(1) for July 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	7.35%
Appropriate percentage for the 30% present value low-income housing credit	3.15%

**REV. RUL. 2021-12 TABLE 5**  
Rate Under Section 7520 for July 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	1.2%
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**REV. RUL. 2021-12 TABLE 6**  
Blended Annual Rate for 2021

Section 7872(e)(2) blended annual rate for 2021	.13%
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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 July 2021. See Rev. Rul. 2021-12, page 1.

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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 July 2021. See Rev. Rul. 2021-12, page 1.

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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 July 2021. See Rev. Rul. 2021-12, page 1.

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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 July 2021. See Rev. Rul. 2021-12, page 1.

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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 July 2021. See Rev. Rul. 2021-12, page 1.

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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 July 2021. See Rev. Rul. 2021-12, page 1.

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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 July 2021. See Rev. Rul. 2021-12, page 1.

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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 July 2021. See Rev. Rul. 2021-12, page 1.

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## Section 7520.—Valuation Tables

The applicable federal mid-term rates are set forth for the month of July 2021. See Rev. Rul. 2021-12, page 1.

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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 July 2021. See Rev. Rul. 2021-12, page 1.

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