

**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 June 1997. See Rev. Rul. 97-24, page 17.

**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 June 1997. See Rev. Rul. 97-24, page 17.

**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 June 1997. See Rev. Rul. 97-24, page 17.

**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 June 1997. See Rev. Rul. 97-24, page 17.

**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 June 1997. See Rev. Rul. 97-24, page 17.

**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 section 1274, 1288, 382,

and other sections of the Code, tables set forth the rates for June 1997.

**Rev. Rul. 97-24**

This revenue ruling provides various prescribed rates for federal income tax purposes for June 1997 (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 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. 97-24 TABLE 1

Applicable Federal Rates (AFR) for June 1997

	<i>Period for Compounding</i>			
	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
<i>Short-Term</i>				
AFR	6.23%	6.14%	6.09%	6.06%
110% AFR	6.86%	6.75%	6.69%	6.66%
120% AFR	7.51%	7.37%	7.30%	7.26%
130% AFR	8.14%	7.98%	7.90%	7.85%
<i>Mid-Term</i>				
AFR	6.80%	6.69%	6.63%	6.60%
110% AFR	7.50%	7.36%	7.29%	7.25%
120% AFR	8.19%	8.03%	7.95%	7.90%
130% AFR	8.89%	8.70%	8.61%	8.55%
150% AFR	10.29%	10.04%	9.92%	9.84%
175% AFR	12.05%	11.71%	11.54%	11.43%
<i>Long-Term</i>				
AFR	7.11%	6.99%	6.93%	6.89%
110% AFR	7.84%	7.69%	7.62%	7.57%
120% AFR	8.57%	8.39%	8.30%	8.25%
130% AFR	9.30%	9.09%	8.99%	8.92%

REV. RUL. 97-24 TABLE 2

Adjusted AFR for June 1997

*Period for Compounding*

	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
Short-term adjusted AFR	4.10%	4.06%	4.04%	4.03%
Mid-term adjusted AFR	4.96%	4.90%	4.87%	4.85%
Long-term adjusted AFR	5.64%	5.56%	5.52%	5.50%

REV. RUL. 97-24 TABLE 3

Rates Under Section 382 for June 1997

Adjusted federal long-term rate for the current month	5.64%
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.)	5.64%

REV. RUL. 97-24 TABLE 4

Appropriate Percentages Under Section 42(b)(2)  
for June 1997

Appropriate percentage for the 70% present value low-income housing credit	8.64%
Appropriate percentage for the 30% present value low-income housing credit	3.70%

REV. RUL. 97-24 TABLE 5

Rate Under Section 7520 for June 1997

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	8.2%
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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 June 1997. See Rev. Rul. 97-24, page 17.

**Section 6621.— Determination of Interest Rate**

26 CFR 301.6621-1: Interest rate.

**Interest rates; underpayments and overpayments.** The rate of interest determined under section 6621 of the Code for the calendar quarter beginning July 1, 1997, will be 8 percent for overpayments, 9 percent for underpayments, and 11 percent for large corporate underpayments. The rate of interest paid on the portion of a corporate overpayment exceeding \$10,000 is 6.5 percent.

**Rev. Rul. 97-23**

Section 6621 of the Internal Revenue Code establishes different rates for interest on tax overpayments and interest on tax underpayments. Under § 6621(a)(1), the overpayment rate is the sum of the federal short-term rate plus 2 percentage points, except the rate for the portion of a corporate overpayment of tax exceeding \$10,000 for a taxable period is the sum of the federal short-term rate plus 0.5 of a percentage point for interest computations made after December 31, 1994. Under § 6621(a)(2), the underpayment rate is the sum of the federal short-term rate plus 3 percentage points.

Section 6621(c) provides that for purposes of interest payable under § 6601 on any large corporate underpayment, the underpayment rate under § 6621(a)(2) is determined by substituting “5 percentage points” for “3 percentage

points.” See § 6621(c) and § 301.6621-3 of the Regulations on Procedure and Administration for the definition of a large corporate underpayment and for the rules for determining the applicable rate. Section 6621(c) and § 301.6621-3 are generally effective for periods after December 31, 1990.

Section 6621(b)(1) provides that the Secretary will determine the federal short-term rate for the first month in each calendar quarter.

Section 6621(b)(2)(A) provides that the federal short-term rate determined under § 6621(b)(1) for any month applies during the first calendar quarter beginning after such month.

Section 6621(b)(3) provides that the federal short-term rate for any month is the federal short-term rate determined during such month by the Secretary in accordance with § 1274(d), rounded to the nearest full percent (or, if a multiple