

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. 2022-3

This revenue ruling provides various prescribed rates for federal income tax purposes for February 2022 (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. 2022-3 TABLE 1

Applicable Federal Rates (AFR) for February 2022

	<u>Annual</u>	<u>Period for Compounding</u>		<u>Monthly</u>
		<u>Semiannual</u>	<u>Quarterly</u>	
<u>Short-term</u>				
AFR	0.59%	0.59%	0.59%	0.59%
110% AFR	0.65%	0.65%	0.65%	0.65%
120% AFR	0.71%	0.71%	0.71%	0.71%
130% AFR	0.77%	0.77%	0.77%	0.77%
<u>Mid-term</u>				
AFR	1.40%	1.40%	1.40%	1.40%
110% AFR	1.55%	1.54%	1.54%	1.54%
120% AFR	1.69%	1.68%	1.68%	1.67%
130% AFR	1.83%	1.82%	1.82%	1.81%
150% AFR	2.11%	2.10%	2.09%	2.09%
175% AFR	2.47%	2.45%	2.44%	2.44%
<u>Long-term</u>				
AFR	1.92%	1.91%	1.91%	1.90%
110% AFR	2.11%	2.10%	2.09%	2.09%
120% AFR	2.30%	2.29%	2.28%	2.28%
130% AFR	2.50%	2.48%	2.47%	2.47%

REV. RUL. 2022-3 TABLE 2

Adjusted AFR for February 2022

	<u>Period for Compounding</u>			
	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>
Short-term adjusted AFR	0.45%	0.45%	0.45%	0.45%
Mid-term adjusted AFR	1.06%	1.06%	1.06%	1.06%
Long-term adjusted AFR	1.46%	1.45%	1.45%	1.45%

REV. RUL. 2022-3 TABLE 3

Rates Under Section 382 for February 2022

Adjusted federal long-term rate for the current month	1.46%
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.)	1.46%

REV. RUL. 2022-3 TABLE 4

Appropriate Percentages Under Section 42(b)(1) for February 2022

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	7.38%
Appropriate percentage for the 30% present value low-income housing credit	3.16%

REV. RUL. 2022-3 TABLE 5

Rate Under Section 7520 for February 2022

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	1.6%
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