

Applicable Federal Rates and Housing Tax Credit Applicable Percentages for November 2011

October 2011

The US Treasury (Internal Revenue Service) issues a revenue ruling each month with interest rates. The current revenue ruling is Rev. Rul. 2011-25. Highlighted below are the various applicable federal rates and housing tax credit applicable percentages for November 2011 for your reference and use, as listed in this ruling. We hope you will find this a useful reference.



This revenue ruling provides various prescribed rates for federal income tax purposes for November 2011 (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 nonfederally subsidized new buildings placed in service after July 30, 2008 and before December 31, 2013 shall not be less than 9 percent. 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. 2011-25 TABLE 1 AFR for November 2011

	Period for Compounding			
	Annual	Semiannual	Quarterly	Monthly
Short-term				
AFR	.19%	.19%	.19%	.19%
110% AFR	.21%	.21%	.21%	.21%

Contacts

Jeffrey Drew Butt

+1.813.202.1304

+1.561.650.7200

Todd L. Cooper

+1.513.361.1239

Robert J. Eidnier

+1.216.479.8676

Holly H. Heer

+1.614.365.2716

Robert D. Labes

+1.216.479.8601

David L. Lapidés

+1.813.202.1319

Steven F. Mount

+1.614.365.2727

Erik J. Rickard

+1.614.365.2808

Michael D. Saad

+1.614.365.2735

Andréa Caruso Townsend

+1.213.689.5157

Bryan J. Venesky

+1.614.365.2708

+1.513.361.1218

Philip R. Westerman

+1.614.365.2836

Related Services

120% AFR	.23%	.23%	.23%	.23%
130% AFR	.25%	.25%	.25%	.25%
Mid-term				
AFR	1.20%	1.20%	1.20%	1.20%
110% AFR	1.32%	1.32%	1.32%	1.32%
120% AFR	1.45%	1.44%	1.44%	1.44%
130% AFR	1.57%	1.56%	1.56%	1.55%
150% AFR	1.81%	1.80%	1.80%	1.79%
175% AFR	2.11%	2.10%	2.09%	2.09%
Long-term				
AFR	2.67%	2.65%	2.64%	2.64%
110% AFR	2.94%	2.92%	2.91%	2.90%
120% AFR	3.21%	3.18%	3.17%	3.16%
130% AFR	3.48%	3.45%	3.44%	3.43%

Rev. Rul. 2011-25 TABLE 2

Adjusted AFR for November 2011

Period for Compounding				
	Annual	Semiannual	Quarterly	Monthly
Short-term adjusted AFR	.41%	.41%	.41%	.41%
Mid-term adjusted AFR	1.38%	1.38%	1.38%	1.38%
Long-term adjusted AFR	3.41%	3.38%	3.37%	3.36%

Rev. Rul. 2011-25 TABLE 3

Rates Under Section 382(f) for November 2011

Adjusted federal long-term rate for the current month	3.41%
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)	3.77%

Rev. Rul. 2011-25 TABLE 4

Appropriate Percentages Under Section 42(b)(1) for November 2011

Note: Under Section 42(b)(2), the applicable percentage for nonfederally subsidized new buildings placed in service after July 30, 2008 and before December 31, 2013 shall not be less than 9 percent.

Appropriate percentage for the 70% present value low-income housing credit	7.44%
Appropriate percentage for the 30% present value low-income housing credit	3.19%

Rev. Rul. 2011-25 TABLE 5

Rate Under Section 7520 for November 2011

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	1.4%
---	------

[Community Development & Affordable Housing](#)
[New Markets Tax Credits](#)
[Public & Infrastructure Finance](#)
[Real Estate](#)

For more than 20 years, Squire Sanders lawyers have made a difference by helping clients locate financially sound investment opportunities and structure stable funding sources for today's development transactions. We are a national leader in legal services for [community development and affordable housing finance](#) including low-income housing tax credits, historic tax credits, housing bonds, New Markets Tax Credits and other community and economic development programs.

Follow:**Share:**

The contents of this update are not intended to serve as legal advice related to individual situations or as legal opinions concerning such situations. Counsel should be consulted for legal planning and advice.

© Squire, Sanders & Dempsey | All Rights Reserved | 2011

We respect your right to privacy – [view our policy](#)

This email was sent by Squire Sanders & Dempsey | 2000 Huntington Center, 41 South High Street, Columbus, OH 43215, US

Squire, Sanders & Dempsey refers to an international legal practice which operates worldwide through a number of separate legal entities. Please visit www.ssd.com for more information.

[Subscribe](#) | [Manage My Profile](#) | [One-Click Unsubscribe](#) | [Forward to a Friend](#)
