

(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 1274, 1288, 382, and other sections of the Code, tables set forth the rates for August 2000.

**Rev. Rul. 2000-38**

This revenue ruling provides various prescribed rates for federal income tax purposes for August 2000 (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.

**Section 1274.—Determination of Issue Price in the Case of Certain Debt Instruments Issued for Property**

REV. RUL. 2000-38 TABLE 1  
Applicable Federal Rates (AFR) for August 2000

|                   |     | <i>Period for Compounding</i> |                   |                  |                |
|-------------------|-----|-------------------------------|-------------------|------------------|----------------|
|                   |     | <i>Annual</i>                 | <i>Semiannual</i> | <i>Quarterly</i> | <i>Monthly</i> |
| <i>Short-Term</i> |     |                               |                   |                  |                |
|                   | AFR | 6.37%                         | 6.27%             | 6.22%            | 6.19%          |
| 110%              | AFR | 7.02%                         | 6.90%             | 6.84%            | 6.80%          |
| 120%              | AFR | 7.66%                         | 7.52%             | 7.45%            | 7.40%          |
| 130%              | AFR | 8.32%                         | 8.15%             | 8.07%            | 8.01%          |
| <i>Mid-Term</i>   |     |                               |                   |                  |                |
|                   | AFR | 6.33%                         | 6.23%             | 6.18%            | 6.15%          |
| 110%              | AFR | 6.97%                         | 6.85%             | 6.79%            | 6.75%          |
| 120%              | AFR | 7.62%                         | 7.48%             | 7.41%            | 7.37%          |
| 130%              | AFR | 8.26%                         | 8.10%             | 8.02%            | 7.97%          |
| 150%              | AFR | 9.57%                         | 9.35%             | 9.24%            | 9.17%          |
| 175%              | AFR | 11.20%                        | 10.90%            | 10.76%           | 10.66%         |
| <i>Long-Term</i>  |     |                               |                   |                  |                |
|                   | AFR | 6.22%                         | 6.13%             | 6.08%            | 6.05%          |
| 110%              | AFR | 6.85%                         | 6.74%             | 6.68%            | 6.65%          |
| 120%              | AFR | 7.50%                         | 7.36%             | 7.29%            | 7.25%          |
| 130%              | AFR | 8.13%                         | 7.97%             | 7.89%            | 7.84%          |

REV. RUL. 2000–38 TABLE 2  
Adjusted AFR for August 2000

*Period for Compounding*

|                         | <i>Annual</i> | <i>Semiannual</i> | <i>Quarterly</i> | <i>Monthly</i> |
|-------------------------|---------------|-------------------|------------------|----------------|
| Short-term adjusted AFR | 4.63%         | 4.58%             | 4.55%            | 4.54%          |
| Mid-term adjusted AFR   | 4.84%         | 4.78%             | 4.75%            | 4.73%          |
| Long-term adjusted AFR  | 5.53%         | 5.46%             | 5.42%            | 5.40%          |

REV. RUL. 2000–38 TABLE 3

Rates Under Section 382 for August 2000

|  |       |
|--|-------|
| Adjusted federal long-term rate for the current month  | 5.53% |
| 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.) | 5.79% |

REV. RUL. 2000–38 TABLE 4

Appropriate Percentages Under Section 42(b)(2)  
for August 2000

|  |       |
|--|-------|
| Appropriate percentage for the 70% present value low-income housing credit | 8.47% |
| Appropriate percentage for the 30% present value low-income housing credit | 3.63% |

REV. RUL. 2000–38 TABLE 5

Rate Under Section 7520 for August 2000

|   |      |
|---|------|
| 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 | 7.6% |
|---|------|