

Section 706.—Taxable Years of Partner and Partnership

26 CFR 1.706-1: Taxable years of partner and partnership.

Final regulations relate to taxable years of partnerships under section 706 of the Code. See T.D. 8996, page 1127.

Federal rates; adjusted federal rates; adjusted federal long-term rate and the long-term exempt rate. For purposes of sections 382, 1274, 1288, and other sections of the Code, tables set forth the rates for June 2002.

Rev. Rul. 2002-36

This revenue ruling provides various prescribed rates for federal income tax purposes for June 2002 (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 482.—Allocation of Income and Deductions Among Taxpayers

Federal short-term, mid-term, and long-term rates are set forth for the month of June 2002. See Rev. Rul. 2002-36, page 1148.

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 2002. See Rev. Rul. 2002-36, page 1148.

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 2002. See Rev. Rul. 2002-36, page 1148.

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 2002. See Rev. Rul. 2002-36, page 1148.

Section 642.—Special Rules for Credits and Deductions

Federal short-term, mid-term, and long-term rates are set forth for the month of June 2002. See Rev. Rul. 2002-36, page 1148.

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.)

REV. RUL. 2002-36 TABLE 1

Applicable Federal Rates (AFR) for June 2002

Period for Compounding

	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
<i>Short-Term</i>				
AFR	2.91%	2.89%	2.88%	2.87%
110% AFR	3.21%	3.18%	3.17%	3.16%
120% AFR	3.50%	3.47%	3.46%	3.45%
130% AFR	3.80%	3.76%	3.74%	3.73%
<i>Mid-Term</i>				
AFR	4.74%	4.69%	4.66%	4.64%
110% AFR	5.23%	5.16%	5.13%	5.11%
120% AFR	5.71%	5.63%	5.59%	5.57%
130% AFR	6.19%	6.10%	6.05%	6.02%
150% AFR	7.16%	7.04%	6.98%	6.94%
175% AFR	8.38%	8.21%	8.13%	8.07%

REV. RUL. 2002-36 TABLE 1—CONTINUED

Applicable Federal Rates (AFR) for June 2002

	<i>Period for Compounding</i>			
	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
<i>Long-Term</i>				
AFR	5.70%	5.62%	5.58%	5.56%
110% AFR	6.28%	6.18%	6.13%	6.10%
120% AFR	6.85%	6.74%	6.68%	6.65%
130% AFR	7.44%	7.31%	7.24%	7.20%

REV. RUL. 2002-36 TABLE 2

Adjusted AFR for June 2002

Period for Compounding

	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
Short-term adjusted AFR	2.45%	2.44%	2.43%	2.43%
Mid-term adjusted AFR	3.67%	3.64%	3.62%	3.61%
Long-term adjusted AFR	4.89%	4.83%	4.80%	4.78%

REV. RUL. 2002-36 TABLE 3

Rates Under Section 382 for June 2002

Adjusted federal long-term rate for the current month	4.89%
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.)	5.01%

REV. RUL. 2002-36 TABLE 4

Appropriate Percentages Under Section 42(b)(2) for June 2002

Appropriate percentage for the 70% present value low-income housing credit	8.22%
Appropriate percentage for the 30% present value low-income housing credit	3.52%

REV. RUL. 2002-36 TABLE 5

Rate Under Section 7520 for June 2002

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

5.8%

Section 1288. —Treatment of Original Issue Discounts on Tax-Exempt Obligations

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of June 2002. See Rev. Rul. 2002, page 1148.