

## **Caution: *DRAFT—NOT FOR FILING***

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If you have any comments on this draft, you can submit them to us on our IRS.gov page titled [Comment on Forms and Publications](#), where you may make comments anonymously if you wish. You can also email us at [taxforms@irs.gov](mailto:taxforms@irs.gov). Please include the form or publication number in the subject. We cannot respond to all comments due to the high volume we receive, but we will carefully consider each suggestion. Please note that we may not be able to consider many suggestions until the subsequent revision of the product.

**Interest Computation Under the Look-Back Method for  
 Property Depreciated Under the Income Forecast Method**

OMB No. 1545-1622

Attachment  
 Sequence No. **108**

► Information about Form 8866 and its separate instructions is available at [www.irs.gov/form8866](http://www.irs.gov/form8866).

For the recomputation year beginning \_\_\_\_\_, and ending \_\_\_\_\_, See instructions.

<b>Print or Type</b>	Name	<b>A Identifying number</b>
	Number, street, and apt., room, or suite no. If a P.O. box, see instructions.	<b>B</b> Check applicable box to show type of taxpayer: <input type="checkbox"/> Corporation <input type="checkbox"/> S corporation <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Estate or trust
	City or town, state, and ZIP code. If a foreign address, see instructions.	

**C** If you were an owner of an interest in a pass-through entity (such as a partnership or an S corporation) that depreciated one or more properties to which this interest computation relates, enter the name and employer identification number of the entity. Attach a schedule if there is more than one such entity.

Name of entity:	Employer identification number
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	Recomputation Year		Prior Years		(c) Totals (Add columns (a) and (b))
			(a)	(b)	
	Year ended	Year ended	Year ended	Year ended	
	mo.	yr.	mo.	yr.	
<b>1</b> Taxable income (or loss) for the prior years shown on tax return (or as previously adjusted) before net operating loss or capital loss carrybacks (other than carrybacks that must be taken into account to properly compute interest under section 167(g)) (see instructions). If you were required to file Form 8866 for an earlier year, enter adjusted taxable income for the prior years from Form 8866, line 3, for the most recent recomputation year that affects the prior years.					
<b>2</b> Adjustment to taxable income for the difference between: (a) the depreciation deducted under the income forecast method based on <b>estimated</b> future income and (b) depreciation allowable under the income forecast method based on <b>actual</b> income earned for periods before the end of the recomputation year and estimated future income to be earned after the recomputation year. See instructions and attach a schedule listing each separate property, unless you were an owner of an interest in a pass-through entity.					
<b>3</b> Adjusted taxable income for look-back purposes. Combine lines 1 and 2. If line 3 is a negative amount, see instructions.					
<b>4</b> Income tax liability on line 3 amount using tax rates in effect for the prior years (see instructions)					
<b>5</b> Income tax liability shown on return (or as previously adjusted) for the prior years (see instructions). If you were required to file Form 8866 for an earlier year, enter the amount required to be reported on Form 8866, line 4, for the most recent recomputation year that affects the prior years					
<b>6</b> Increase (or decrease) in tax for the prior years on which interest is due (or is to be refunded). Subtract line 5 from line 4. ( <b>Pass-through entities:</b> See instructions.)					
<b>7</b> Interest due on increase, if any, shown on line 6 (see instructions)					
<b>8</b> Interest to be refunded on decrease, if any, shown on line 6 (see instructions)					
<b>9</b> Net amount of <b>interest to be refunded to you</b> . If line 8, column (c), exceeds line 7, column (c), enter the excess. File Form 8866 separately; <b>do not</b> attach it to your tax return (see instructions)					
<b>10</b> Net amount of <b>interest you owe</b> . If line 7, column (c), exceeds line 8, column (c), enter the excess. Attach Form 8866 to your tax return. See instructions for where to include this amount on your return					

**Signatures.** Complete this section **only** if this form is being filed separately and not with the tax return.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.					
<b>Sign Here</b>		Your signature		Date	
		Spouse's signature. If a joint return, both spouses must sign.		Date	
<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ►				Firm's EIN ►
	Firm's address ►				Phone no.