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This is an early release draft of an IRS tax form, instructions, or publication, which the IRS is providing for your information as a courtesy. **Do not file draft forms.** Also, do not rely on draft instructions and publications for filing. We generally do not release drafts of forms until we believe we have incorporated all changes. However, unexpected issues sometimes arise, or legislation is passed, necessitating a change to a draft form. In addition, forms generally are subject to OMB approval before they can be officially released. Drafts of instructions and publications usually have at least some changes before being officially released.

Early releases of draft forms and instructions are at [IRS.gov/draftforms](https://www.irs.gov/draftforms). Please note that drafts may remain on IRS.gov even after the final release is posted at [IRS.gov/downloadforms](https://www.irs.gov/downloadforms), and thus may not be removed until there is a new draft for the subsequent revision. All information about all revisions of all forms, instructions, and publications is at [IRS.gov/formspubs](https://www.irs.gov/formspubs).

Almost every form and publication also has its own easily accessible information page on IRS.gov. For example, the Form 1040 page is at [IRS.gov/form1040](https://www.irs.gov/form1040); the Form W-2 page is at [IRS.gov/w2](https://www.irs.gov/w2); the Publication 17 page is at [IRS.gov/pub17](https://www.irs.gov/pub17); the Form W-4 page is at [IRS.gov/w4](https://www.irs.gov/w4); the Form 8863 page is at [IRS.gov/form8863](https://www.irs.gov/form8863); and the Schedule A (Form 1040) page is at [IRS.gov/schedulea](https://www.irs.gov/schedulea). If typing in the links above instead of clicking on them: type the link into the address bar of your browser, not in a Search box; the text after the slash must be lowercase; and your browser may require the link to begin with “www.”. Note that these are shortcut links that will automatically go to the actual link for the page.

If you wish, you can submit comments about draft or final forms, instructions, or publications on the [Comment on Tax Forms and Publications](#) page on IRS.gov. We cannot respond to all comments due to the high volume we receive, but we will carefully consider each one. Please note that we may not be able to consider many suggestions until the subsequent revision of the product.

**Excise Tax on Certain Transfers of Qualifying
 Geothermal or Mineral Interests**

► Information about Form 8924 and its instructions is at www.irs.gov/form8924.

Name of entity	Employer identification number
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Number, street, and room or suite no. (If a P.O. box, see instructions)

City or town, state or province, country, and ZIP or foreign postal code

Tax Computation

1 Date of sale or other disposition (MM/DD/YYYY)	2	
2 If the property was sold or exchanged, enter the sales price of the interest transferred. If the property was leased, enter the income realized as a result of the transfer	3	
3 Cost or other basis of interest transferred. Enter -0- if the property was leased	4	
4 Gain or income realized. Subtract line 3 from line 2. If zero or less, enter -0-	5	
5 Fair market value of the interest transferred as of the date shown on line 1	6	
6 Multiply line 5 by 20% (.20)	7	
7 Multiply line 4 by 35% (.35)	8	
8 Tax. Add lines 6 and 7	9	
9 Tax paid with Form 7004	10	
10 Tax due. Enter the excess, if any, of line 8 over line 9	11	
11 Overpayment. Enter the excess, if any, of line 9 over line 8		

Sign Here Under penalties of perjury, I declare that I have examined this return, 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.

Your signature	Date	Title
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Paid Preparer Use Only

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.			

DRAFT AS OF
September 3, 2013
DO NOT FILE

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Section references are to the Internal Revenue Code.

Future Developments

For the latest information about developments related to Form 8924 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/form8924.

General Instructions

Purpose of Form

Use Form 8924 to report and pay the excise tax on certain transfers of qualifying geothermal or mineral interests.

Who Must File

An eligible entity who subsequently transfers ownership or possession (by sale, exchange, or lease) of a qualifying mineral or geothermal interest must file Form 8924 for each transfer of an interest acquired, directly or indirectly, in:

- A conservation sale in which the previous transferor excluded 25% of the qualifying gain, or
- A transfer in which the previous transferor was relieved of liability for the Form 8924 tax.

Relief from liability. An eligible entity is not required to file Form 8924 if:

- The transferee is an eligible entity which provides the transferor with a qualifying letter of intent at the time of the transfer,
- The transferee is not an eligible entity but establishes to the satisfaction of the Secretary of the Treasury that the transfer of ownership or possession will be consistent with section 170(h)(5) and provides the transferor with a qualifying letter of intent at the time of the transfer, or
- Form 8924 tax has previously been paid as a result of a previous transfer of ownership or possession of the same interest.

When To File

File Form 8924 by the 90th day following the taxable transfer. If you need more time to file, use Form 7004, Application for Automatic 6-Month Extension of Time To File Certain Business Income Tax, Information, and Other Returns, by the due date of Form 8924. Form 7004 does not extend the time for payment of tax.

Amended Return

To amend a previously filed Form 8924, file a corrected Form 8924 and write "Amended" at the top of the form.

Where To File

Send Form 8924 to the following address.

Department of the Treasury
Internal Revenue Service Center
Cincinnati, OH 45999

Rounding Off to Whole Dollars

You may show money items on the return as whole dollars. To do so, drop any amount less than 50 cents and increase any amount from 50 cents through 99 cents to the next higher dollar.

Signature

See the instructions for the signature section of your federal income tax return.

Interest and Penalties

Interest. Interest is charged on taxes not paid by the due date at a rate determined under section 6621.

Late filing of return. A penalty of 5% a month or part of a month, up to a maximum of 25%, is imposed on the net amount due if Form 8924 is not filed when due.

Late payment of tax. Generally, the penalty for not paying tax when due is 1/2 of 1% of the unpaid amount, up to a maximum of 25%, for each month or part of a month the tax remains unpaid. The penalty is imposed on the net amount due.

Definitions

Bureau of Land Management land. This term means the Bureau of Land Management land and any federally-owned minerals located south of the Blackfeet Indian Reservation and east of the Lewis and Clark National Forest to the eastern edge of R. 8 W., beginning in T. 29 N. down to and including T. 19 N. and all of T. 18 N., R. 7 W.

Conservation sale. A conservation sale means a sale which meets the following requirements.

- The transferee of the qualifying mineral or geothermal interest is an eligible entity.
- At the time of the sale, the transferee provides the transferor with a qualifying letter of intent.
- The sale is not made under an order of condemnation or eminent domain.

Eligible entity. An eligible entity means:

- A governmental unit referred to in section 170(c)(1) or an agency or department thereof operated primarily for one or more of the conservation purposes specified in section 170(h)(4)(A)(i), (ii), or (iii), or
- An entity that is described in section 170(b)(1)(A)(vi) or section 170(h)(3)(B) and organized and at all times operated primarily for one or more of the conservation purposes specified in section 170(h)(4)(A)(i), (ii), or (iii).

Eligible federal land. The term eligible federal land means the Bureau of Land Management land and the Forest Service land, as generally depicted on the map entitled "Rocky Mountain Front Mineral Withdrawal Area" and dated January 8, 2007. You can view an electronic version of the map at www.fs.fed.us/land/staff/rocky_mtn_front_withdrawal.shtml.

Forest Service land. This term means the Forest Service land and any federally-owned minerals located:

- In the Rocky Mountain Division of the Lewis and Clark National Forest, including the approximately 356,111 acres of land made unavailable for leasing by the August 28, 1997, Record of Decision for the Lewis and Clark National Forest Oil and Gas Leasing Environmental Impact Statement and that is located from T. 31 N. to T. 16 N. and R. 13 W. to R. 7 W.; and
- Within the Badger Two Medicine Area of the Flathead National Forest including the land located in T. 29 N. from the western edge of R. 16 W. to the eastern edge of R. 13 W., and the land located in T. 28 N., Rs. 13, and 14 W.

Qualifying letter of intent. A qualifying letter of intent means a written letter of intent that includes the following statement.

"The transferee's intent is that this acquisition will serve one or more of the conservation purposes specified in clause (i), (ii), or (iii) of section 170(h)(4)(A) of the Internal Revenue Code of 1986, that the transferee's use of the deposits so acquired will be consistent with section 170(h)(5) of such Code, and that the use of the deposits will continue to be consistent with such section, even if ownership or possession of such deposits is subsequently transferred to another person."

Qualifying mineral or geothermal interest. A qualifying mineral or geothermal interest means an interest in any mineral or geothermal deposit located on eligible federal land that constitutes the transferor's entire interest in the deposit.

An interest in any mineral or geothermal is not the transferor's entire interest if the interest in that mineral or geothermal deposit was divided in order to avoid the requirements of a qualifying mineral or geothermal interest or section 170(f)(3)(A).

The transferor's entire interest in such deposit does not fail to be a qualifying mineral or geothermal interest solely because the transferor has retained an interest in other deposits, even if the other deposits are contiguous with such certain deposit and were acquired by the transferor along with such certain deposit in a single conveyance.

Specific Instructions

Name and address. Enter the name shown on the eligible entity's most recently filed federal income tax return. Include the suite, room, or other unit number after the street address. If the Post Office does not deliver mail to the street address and the entity has a P.O. box, show the box number instead of the street address.

Foreign Address. Follow the country's practice for entering the postal code. In some countries the postal code may come before the city or town name. Enter the full name of the country using uppercase letters in English.

Tax Computation

Line 10

The tax due must be paid in full when Form 8924 is filed. Make the check or money order payable to "United States Treasury." Write the entity's name, address, employer identification number, and "Form 8924" on the check or money order.

Line 11

The IRS will refund the amount on line 11 if no other taxes are owed.

Paid Preparer Use Only

A paid preparer must sign Form 8924 and provide the information in the *Paid Preparer Use Only* section at the end of the form if the preparer was paid to prepare the form and is not an employee of the filing entity. The preparer must give you a copy of the form in addition to the copy to be filed with the IRS.

If you are a paid preparer, enter your Preparer Tax Identification Number (PTIN) in the space provided. If you work for a tax preparation firm, you must also enter the firm's name, address, and EIN. However, you cannot use the PTIN of the tax preparation firm in place of your PTIN.

You can apply for a PTIN online or by filing Form W-12, IRS Paid Preparer Tax Identification Number (PTIN) Application and Renewal. For more information about applying for a PTIN online, visit the IRS website at www.irs.gov/taxpros.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the internal revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax. Section 6109 requires return preparers to provide their identifying numbers on the return.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

Recordkeeping 4 hr., 4 min.

Learning about the law or the form 42 min.

Preparing, copying, assembling, and sending the form to the IRS 47 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to:

Internal Revenue Service
Tax Forms and Publications
SE:W:CAR:MP:TFP
1111 Constitution Ave. NW, IR-6526
Washington, DC 20224

DO NOT send the tax form to this address. Instead, see *Where To File*, earlier.

