

Caution: DRAFT FORM

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If you have any comments on this draft form, you can submit them to us on our web site. Include the word DRAFT in your response. You may make comments anonymously, or you may include your name and e-mail address or phone number. We will be unable to respond to all comments due to the high volume we receive. However, we will carefully consider each suggestion. So that we can properly consider your comments, please send them to us within 30 days from the date the draft was posted.

**Credit for Prior Year Minimum Tax—
 Individuals, Estates, and Trusts**

▶ See separate instructions.
 ▶ Attach to Form 1040, 1040NR, or 1041.

2006

Attachment
 Sequence No. **74**

| | |
|-------------------------|--------------------|
| Name(s) shown on return | Identifying number |
|-------------------------|--------------------|

Part I Net Minimum Tax on Exclusion Items

| | | |
|---|-----------|--------------------------|
| 1 Combine lines 1, 6, and 10 of your 2005 Form 6251. Estates and trusts, see instructions | 1 | |
| 2 Enter adjustments and preferences treated as exclusion items (see instructions) | 2 | |
| 3 Minimum tax credit net operating loss deduction (see instructions) | 3 | () |
| 4 Combine lines 1, 2, and 3. If zero or less, enter -0- here and on line 15 and go to Part II. If more than \$191,000 and you were married filing separately for 2005, see instructions | 4 | |
| 5 Enter: \$58,000 if married filing jointly or qualifying widow(er) for 2005; \$40,250 if single or head of household for 2005; or \$29,000 if married filing separately for 2005. Estates and trusts, enter \$22,500 | 5 | |
| 6 Enter: \$150,000 if married filing jointly or qualifying widow(er) for 2005; \$112,500 if single or head of household for 2005; or \$75,000 if married filing separately for 2005. Estates and trusts, enter \$75,000 | 6 | |
| 7 Subtract line 6 from line 4. If zero or less, enter -0- here and on line 8 and go to line 9 | 7 | |
| 8 Multiply line 7 by 25% (.25) | 8 | |
| 9 Subtract line 8 from line 5. If zero or less, enter -0-. If this form is for a child under age 14, see instructions | 9 | |
| 10 Subtract line 9 from line 4. If zero or less, enter -0- here and on line 15 and go to Part II. Form 1040NR filers, see instructions | 10 | |
| 11 • If for 2005 you reported capital gain distributions directly on Form 1040, line 13; you reported qualified dividends on Form 1040, line 9b (Form 1041, line 2b(2)); or you had a gain on both lines 15 and 16 of Schedule D (Form 1040) (lines 14a and 15, column (2), of Schedule D (Form 1041)), complete Part III of Form 8801 and enter the amount from line 46 here. • All others: If line 10 is \$175,000 or less (\$87,500 or less if married filing separately for 2005), multiply line 10 by 26% (.26). Otherwise, multiply line 10 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately for 2005) from the result. | 11 | |
| 12 Minimum tax foreign tax credit on exclusion items (see instructions) | 12 | |
| 13 Tentative minimum tax on exclusion items. Subtract line 12 from line 11 | 13 | |
| 14 Enter the amount from your 2005 Form 6251, line 34, or 2005 Form 1041, Schedule I, line 55 | 14 | |
| 15 Net minimum tax on exclusion items. Subtract line 14 from line 13. If zero or less, enter -0- | 15 | |

Part II Minimum Tax Credit and Carryforward to 2007

| | | |
|---|-----------|--|
| 16 Enter the amount from your 2003 Form 6251, line 35, or 2005 Form 1041, Schedule I, line 56 | 16 | |
| 17 Enter the amount from line 15 above | 17 | |
| 18 Subtract line 17 from line 16. If less than zero, enter as a negative amount | 18 | |
| 19 2005 minimum tax credit carryforward. Enter the amount from your 2005 Form 8801, line 26 | 19 | |
| 20 Enter the total of your 2005 unallowed nonconventional source fuel credit and 2005 unallowed qualified electric vehicle credit (see instructions) | 20 | |
| 21 Combine lines 18, 19, and 20. If zero or less, stop here and see instructions | 21 | |
| 22 Enter your 2006 regular income tax liability minus allowable credits (see instructions) | 22 | |
| 23 Enter the amount from your 2006 Form 6251, line 33, or 2006 Form 1041, Schedule I, line 54 | 23 | |
| 24 Subtract line 23 from line 22. If zero or less, enter -0- | 24 | |
| 25 Minimum tax credit. Enter the smaller of line 21 or line 24. Also enter this amount on your 2006 Form 1040, line 55; Form 1040NR, line 50; or Form 1041, Schedule G, line 2d | 25 | |
| 26 Minimum tax credit carryforward to 2007. Subtract line 25 from line 21. Keep a record of this amount because you may use it in future years | 26 | |

Part III Tax Computation Using Maximum Capital Gains Rates

Caution. If you did not complete the 2005 Qualified Dividends and Capital Gain Tax Worksheet, the 2005 Schedule D Tax Worksheet, or Part V of the 2005 Schedule D (Form 1041), see the instructions before completing this part.

| | | | | |
|---|---|-----------|--|-----------|
| 27 | Enter the amount from Form 8801, line 10 | | | 27 |
| 28 | Enter the amount from line 6 of your 2005 Qualified Dividends and Capital Gain Tax Worksheet, the amount from line 13 of your 2005 Schedule D Tax Worksheet, or the amount from line 22 of the 2005 Schedule D (Form 1041), whichever applies* | 28 | | |
| If you figured your 2005 tax using the 2005 Qualified Dividends and Capital Gain Tax Worksheet, skip line 29 and enter the amount from line 28 on line 30. Otherwise, go to line 29. | | | | |
| 29 | Enter the amount from line 19 of your 2005 Schedule D (Form 1040), or line 14b, column (2), of the 2005 Schedule D (Form 1041) | 29 | | |
| 30 | Add lines 28 and 29, and enter the smaller of that result or the amount from line 10 of your 2005 Schedule D Tax Worksheet | 30 | | |
| 31 | Enter the smaller of line 27 or line 30 | | | 31 |
| 32 | Subtract line 31 from line 27 | | | 32 |
| 33 | If line 32 is \$175,000 or less (\$87,500 or less if married filing separately for 2005), multiply line 32 by 26% (.26). Otherwise, multiply line 32 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately for 2005) from the result ▶ | | | 33 |
| 34 | Enter: <ul style="list-style-type: none"> • \$59,400 if married filing jointly or qualifying widow(er) for 2005, • \$29,700 if single or married filing separately for 2005, • \$39,800 if head of household for 2005, or • \$2,000 for an estate or trust | 34 | | |
| 35 | Enter the amount from line 7 of your 2005 Qualified Dividends and Capital Gain Tax Worksheet, the amount from line 14 of your 2005 Schedule D Tax Worksheet, or the amount from line 23 of the 2005 Schedule D (Form 1041), whichever applies. If you did not complete either worksheet or Part V of the 2005 Schedule D (Form 1041), enter -0- | 35 | | |
| 36 | Subtract line 35 from line 34. If zero or less, enter -0- | 36 | | |
| 37 | Enter the smaller of line 27 or line 28 | 37 | | |
| 38 | Enter the smaller of line 36 or line 37 | 38 | | |
| 39 | Multiply line 38 by 5% (.05) ▶ | | | 39 |
| 40 | Subtract line 38 from line 37 | 40 | | |
| 41 | Multiply line 40 by 15% (.15) ▶ | | | 41 |
| If line 29 is zero or blank, skip lines 42 and 43 and go to line 44. Otherwise, go to line 42. | | | | |
| 42 | Subtract line 37 from line 31 | 42 | | |
| 43 | Multiply line 42 by 25% (.25) ▶ | | | 43 |
| 44 | Add lines 33, 39, 41, and 43 | | | 44 |
| 45 | If line 27 is \$175,000 or less (\$87,500 or less if married filing separately for 2005), multiply line 27 by 26% (.26). Otherwise, multiply line 27 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately for 2005) from the result | | | 45 |
| 46 | Enter the smaller of line 44 or line 45 here and on line 11 | | | 46 |

* The 2005 Qualified Dividends and Capital Gain Tax Worksheet is on page 38 of the 2005 Instructions for Form 1040. The 2005 Schedule D Tax Worksheet is on page D-9 of the 2005 Instructions for Schedule D (Form 1040) (page 38 of the 2005 Instructions for Form 1041).