



Note: *The draft you are looking for begins on the next page.*

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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. **Do not file draft forms.** We incorporate all significant changes to forms posted with this coversheet. However, unexpected issues occasionally arise, or legislation is passed—in this case, we will post a new draft of the form to alert users that changes were made to the previously posted draft. Thus, there are never any changes to the last posted draft of a form and the final revision of the form. Forms and instructions are subject to OMB approval before they can be officially released, so we post drafts of them until they are approved. Drafts of instructions and pubs usually have some additional changes before their final release. Early release drafts are at [IRS.gov/DraftForms](https://www.irs.gov/DraftForms) and remain there after the final release is posted at [IRS.gov/LatestForms](https://www.irs.gov/LatestForms). Also see [IRS.gov/Forms](https://www.irs.gov/Forms).

Most forms and publications have a page on IRS.gov: [IRS.gov/Form1040](https://www.irs.gov/Form1040) for Form 1040; [IRS.gov/Pub501](https://www.irs.gov/Pub501) for Pub. 501; [IRS.gov/W4](https://www.irs.gov/W4) for Form W-4; and [IRS.gov/ScheduleA](https://www.irs.gov/ScheduleA) for Schedule A (Form 1040), for example, and similarly for other forms, pubs, and schedules for Form 1040. When typing in a link, type it into the address bar of your browser, not a Search box on IRS.gov.

If you wish, you can submit comments to the IRS about draft or final forms, instructions, or pubs at [IRS.gov/FormsComments](https://www.irs.gov/FormsComments). Include “NTF” followed by the form or pub number (for example, “NTF1040”, “NTFW4”, “NTF501”, etc.) in the body of the message to route your message properly. We cannot respond to all comments due to the high volume we receive and may not be able to consider many suggestions until the subsequent revision of the product, but we will review each “NTF” message. If you have comments on reducing paperwork and respondent (filer) burden, with respect to draft or final forms, please respond to the relevant information collection through the Federal Register process; for more info, click [here](#).

Form **8866**
(Rev. December 2025)
Department of the Treasury
Internal Revenue Service

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

OMB No. 1545-0074

Attachment
Sequence No. **108**Go to www.irs.gov/Form8866 for instructions and the latest information.

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

Name			A Identifying number
Number, street, and apt., room, or suite no. If a P.O. box, see instructions.			B Check applicable box to show type of taxpayer: ☐ Corporation ☐ S corporation ☐ Individual ☐ Partnership ☐ Estate or trust
City or town	State or province	ZIP or foreign postal code	
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

	Pass-through entities: Skip lines 1, 3, 4, and 5.	Recomputation Year	Prior Years		(c) Totals (Add columns (a) and (b))
		Year ended mo. yr.	(a) Year ended mo. yr.	(b) Year ended mo. yr.	
1	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.				
2	Adjustment to taxable income for the difference between: (a) the depreciation deducted under the income forecast method based on estimated future income and (b) depreciation allowable under the income forecast method based on actual 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.				
3	Adjusted taxable income for look-back purposes. Combine lines 1 and 2. If line 3 is a negative amount, see instructions				
4	Income tax liability on line 3 amount using tax rates in effect for the prior years (see instructions)				
5	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				
6	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. (Pass-through entities: See instructions.)				
7	Interest due on increase, if any, shown on line 6 (see instructions)				
8	Interest to be refunded on decrease, if any, shown on line 6 (see instructions)				
9a	Net interest to be refunded to you. If line 8, column (c), is greater than line 7, column (c), enter the excess. File Form 8866 separately. Do not attach it to your tax return (see instructions)				
b	Routing number	c Type: ☐ Checking ☐ Savings			
d	Account number				
10	Net interest you owe. If line 7, column (c), is greater than 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.

Sign Here	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.		
	Your signature		
Paid Preparer Use Only	Spouse's signature. If a joint return, both spouses must sign.		Date
	Preparer's name	Preparer's signature	Date
	Firm's name	Firm's EIN	
	Firm's address	Phone no.	