



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

## **Caution: DRAFT—NOT FOR FILING**

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](#).

# Instructions for Form 8924



(Rev. December 2025)

## Excise Tax on Certain Transfers of Qualifying Geothermal or Mineral Interest

Section references are to the Internal Revenue Code unless otherwise noted.

### 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 [IRS.gov/Form8924](https://www.irs.gov/Form8924).

### What's New

**Electronic payments.** If you have access to U.S. banking services or electronic payment systems, you should use direct deposit for any refunds and pay electronically for any payments, whenever possible.

**Direct deposit.** Direct deposit fields have been added on lines 11b, 11c, and 11d. If there is an overpayment on line 11a, enter your direct deposit information on lines 11b, 11c, and 11d. See [Line 11](#), later, for more information.

**Making a payment.** If there is a balance due on line 10, go to [IRS.gov/Payments](https://www.irs.gov/Payments) for information on how to make a payment. See [Line 10](#), later, for more details.

## General Instructions

### Purpose of Form

Use Form 8924 to report and pay the excise tax on certain transfers of qualifying mineral or geothermal 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 isn't 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 isn't 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 Extension of Time To File Certain Business Income Tax, Information, and Other Returns, by the due date of Form 8924. Form 7004 doesn't 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  
Kansas City, MO 64999

### Private Delivery Services (PDSs)

You can use certain PDSs designated by the IRS to meet the "timely mailing as timely filing/paying" rule for tax returns. Go to [IRS.gov/PDS](https://www.irs.gov/PDS) for the current list of designated services. The PDS can tell you how to get written proof of the mail date.

For the IRS mailing address to use if you're using a PDS, go to [IRS.gov/PDSStreetAddresses](https://www.irs.gov/PDSStreetAddresses).

**Caution:** A PDS can't deliver items to P.O. boxes. You must use the U.S. Postal Service to mail any item to an IRS P.O. box address.

### Rounding Off to Whole Dollars

You may show money items on the return as whole dollars. To round, drop amounts under 50 cents and increase amounts from 50 to 99 cents to the next dollar. For example, \$8.40 rounds to \$8 and \$8.50 rounds to \$9.

If two or more amounts are added to figure the amount to enter on a line, include cents when adding the amounts and round off only the total.

### 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 isn't filed when due.

**Late payment of tax.** Generally, the penalty for not paying tax when due is  $\frac{1}{2}$  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 all of 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 isn’t 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’s described in section 170(b)(1)(A)(vi) or 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.” The map is on file and available for inspection in the Office of the Chief of the Forest Service.

**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., R. 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.

However, an interest in any mineral or geothermal deposit isn’t 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 doesn’t 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. If the post office doesn’t 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—Tax Due

The IRS recommends paying electronically whenever possible. Options to pay electronically include any of the payment options below. Go to [IRS.gov/Payments](https://www.irs.gov/Payments) to see all your payment options.

**Electronic Federal Tax Payment Systems (EFTPS).** Payment of the tax due may be submitted electronically through EFTPS. EFTPS is a free service of the Department of the Treasury. Go to [IRS.gov/EFTPS](https://www.irs.gov/EFTPS) and [EFTPS.gov](https://www.eftps.gov) for more information.

**Same-day wire.** Payment of the tax due shown on Form 8924 may be submitted electronically through same-day wire from your financial institution. Contact your financial institution for availability, cost, and time frames. Go to [IRS.gov/SameDayWire](https://www.irs.gov/SameDayWire) for more information.

**Paying by check.** Make the check payable to “United States Treasury.” Write the entity’s name, employer identification number (EIN), and “Form 8924” on the check to assist us in posting it to the proper account. Go to [IRS.gov/PayByMail](https://www.irs.gov/PayByMail) for more information.

### Line 11

If you have access to U.S. banking services, you should use direct deposit for any refunds, whenever possible. Go to [IRS.gov/DirectDeposit](https://www.irs.gov/DirectDeposit) for more information.

Direct deposit is available for this form. If there is an overpayment when filing your return, complete lines 11b, 11c, and 11d to enter your direct deposit information.

**Line 11a.** If line 11a is under \$1, we will send a refund only on written request.

**Line 11b.** The routing number must be nine digits. The first two digits must be 01 through 12 or 21 through 32. Ask your financial institution for the correct routing number to enter on line 11b if:

- The routing number on a deposit slip is different from the routing number on your checks,
- Your deposit is to a savings account that doesn't allow you to write checks, or
- Your checks state they are payable through a financial institution different from the one at which you have your checking account.

**Line 11c.** Check the appropriate box for the type of account. Don't check more than one box. You must check the correct box to ensure your deposit is accepted.

**Line 11d.** The account number can be up to 17 characters (both numbers and letters). Include hyphens but omit spaces and special symbols. Enter the number from left to right and leave any unused boxes blank. Don't include the check number.

## 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 employer identification number (EIN).

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, go to [IRS.gov/PTIN](https://www.irs.gov/PTIN).

**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 aren't 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:

<b>Recordkeeping</b> .....	4 hr., 4 min.
<b>Learning about the law or the form</b> .....	42 min.
<b>Preparing, copying, assembling, and sending the form to the IRS</b> .....	47 min.

**Comments and suggestions.** 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 send us comments through [IRS.gov/FormComments](https://www.irs.gov/FormComments). Or you can write to the Internal Revenue Service, Tax Forms and Publications, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. **Don't** send Form 8924 to this address. Instead, see [Where To File](#), earlier.