QUICK CHECKLIST

Divorce Tax Quick Check

Divorce changes more than your legal relationship. It can affect filing status, who may claim a child, child-related tax benefits, retirement accounts, property, withholding, and the records you will need at tax time.

DR. FRIDAY, EA

TAX YEAR & ADVICE NOTICE

Tax laws and IRS guidance can change and may differ by tax year. This guide provides general educational information, not personalized tax advice. Confirm the rules and deadlines for the tax year of your return, and consult a qualified tax professional about your situation.

Use this quick check before the divorce or separation agreement is final. It will help you identify tax questions that deserve attention before a decision becomes difficult or expensive to change.

Dr. Friday Free Resource

Divorce Tax Quick Check

Five tax questions to raise before the agreement is final.

1. **What is your filing status on December 31?**
   A final decree or living-apart rules may change the answer.
2. **Where did each child live most nights?**
   The custody-night record can affect federal tax treatment.
3. **Is Form 8332 part of the plan?**
   A decree alone may not transfer the child-related claim.
4. **Which parent expects each tax benefit?**
   Different credits do not always move together.
5. **Are property or retirement accounts being divided?**
   Tax basis, sale rules, and QDRO questions need review.

Before signing: coordinate the legal agreement with the federal tax rules.

Educational Disclaimer

This guide is for general educational purposes only. It is not personalized tax or legal advice. Divorce, custody, property, and tax rules depend on your facts and may change. Consult a qualified family-law attorney and tax professional before relying on a divorce agreement or filing a return.

> **Key Takeaway:** A divorce decree can describe what the parties agreed to, but federal tax law controls how a federal return is filed and which tax benefits may be claimed.

Educational only. Check rules for your return's tax year.

Five Questions to Ask Before the Agreement Is Final

Question	Why It Matters	What to Record
What will your marital status be on December 31?	Filing status generally depends on your status at year-end, although certain living-apart rules may apply.	Expected decree date, living arrangements, and year-end address.
Where did each child live most nights during the year?	Custody-night records can affect which parent is treated as the custodial parent under federal tax rules.	A calendar showing where the child slept each night.
Is Form 8332 part of the plan?	A decree alone may not transfer a child-related federal tax claim to the noncustodial parent.	Which child, which tax year, and who will provide the signed form.
Which parent expects each child-related tax benefit?	Head of Household, the Child Tax Credit, EITC, and the Dependent Care Credit do not always follow the same rules.	A benefit-by-benefit plan reviewed by a tax professional.
Are property or retirement accounts being divided?	Tax basis, home-sale rules, retirement distributions, and QDRO requirements may affect the real value of an asset.	Account statements, property basis records, and proposed settlement language.

Educational only. Check rules for your return's tax year.

Your Quick Document List

Gather these before meeting with your attorney or tax professional:

- [ ] The proposed divorce or separation agreement.
- [ ] The expected date of the final decree.
- [ ] A custody calendar showing the child's overnight stays.
- [ ] Prior-year federal and state tax returns.
- [ ] W-2s, 1099s, and current withholding information.
- [ ] Childcare and dependent-care records.
- [ ] Property purchase documents and available tax-basis records.
- [ ] Retirement and pension statements.
- [ ] Proposed Form 8332 language or copies of earlier releases.
- [ ] Any IRS or state tax notices involving either spouse.

Gather This First: Keep custody-night records and copies of signed tax forms. Verbal agreements are difficult to prove when both parents claim the same child.

Common Warning Signs

Stop and get advice before signing or filing if:

- Both parents believe they will claim the same child.
- The agreement says parents will alternate years but does not address Form 8332.
- One parent expects Head of Household solely because the other parent released a child claim.
- The expected filing status does not match the anticipated year-end marital status.
- Retirement assets are being divided without discussing whether a QDRO is needed.
- Property values are being compared without considering tax basis or future tax consequences.
- An older alimony or separation agreement is being modified.
- The proposed agreement conflicts with advice from the tax preparer.

Official IRS Starting Points

- IRS Publication 504: Divorced or Separated Individuals
- IRS Form 8332 information
- IRS guidance for divorced and separated parents

Educational only. Check rules for your return's tax year.

When to Stop and Get Professional Help

Speak with Dr. Friday's office and your family-law attorney before finalizing the agreement when:

- Children, credits, or filing status are disputed.
- Form 8332 may be required.
- Either spouse owns a business.
- Retirement accounts, pensions, stock, or real estate are being divided.
- You live in a community-property state.
- The divorce crosses tax years.
- A joint return, prior tax debt, or IRS notice is involved.

> **Your Next Step:** The Divorce Tax Planning Workbook provides detailed worksheets for custody nights, filing status, tax-benefit coordination, Form 8332 planning, property questions, and your pre-filing action plan.

Final Takeaway

Do not wait until tax filing season to discover that the divorce agreement and the federal tax rules do not match. A short tax review before signing can prevent duplicate claims, missed benefits, and costly cleanup later.

Explore the companion workbook

drfriday.com/resources/divorce-tax-planning/#workbook

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