



“TAX TIPS FROM TAXBRAINIA X”

Key Tax Tips on the Tax Effects of Divorce or Separation

Income tax may be the last thing on your mind after a divorce or separation. However, these events can have a big impact on your taxes. Alimony and a name change are just a few items you may need to consider. Here are some key tax tips to keep in mind if you get divorced or separated.

- **Child Support.** If you pay child support, you can't deduct it on your tax return. If you receive child support, the amount you receive is not taxable.
- **Alimony Paid.** If you make payments under a divorce or separate maintenance decree or written separation agreement you may be able to deduct them as alimony. This applies only if the payments qualify as alimony for federal tax purposes. If the decree or agreement does not require the payments, they do not qualify as alimony.
- **Alimony Received.** If you get alimony from your spouse or former spouse, it is taxable in the year you get it. Alimony is not subject to tax withholding so you may need to increase the tax you pay during the year to avoid a penalty. To do this, you can make estimated tax payments or increase the amount of tax withheld from your wages.
- **Spousal IRA.** If you get a final decree of divorce or separate maintenance by the end of your tax year, you can't deduct contributions you make to your former spouse's traditional IRA. You may be able to deduct contributions you make to your own traditional IRA.

- **Name Changes.** If you change your name after your divorce, notify the Social Security Administration of the change. File Form SS-5, Application for a Social Security Card. You can get the form on SSA.gov or call 800-772-1213 to order it. The name on your tax return must match SSA records. A name mismatch can delay your refund.

Each and every taxpayer has a set of fundamental rights they should be aware of when dealing with the IRS. These are your Taxpayer Bill of Rights.

If you did not file your 2014 tax return, or filed an extension for 2014, pick up the phone and call **TaxBrainiaX today at 888.764.2805** for a free consultative phone call on how to handle unfiled taxes. If you owe the IRS and do not have the money to pay, call **TaxBrainiaX** and we can assist you in making arrangements for payment that will fit your financial needs. We are here to assist you and provide professional and personalized service to our clients....you won't be sorry you called us!!!

The Staff of TaxBrainiaX, Inc.

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