

Divorce and Taxes

Course Description

Divorce used to be taboo in the United States. Now almost 50% of those who marry are likely to end up in divorce. As it relates to taxes, divorce can affect much more than just the filing status and who claims the children. It can change a client's RMD distributions, and it can even reduce the client's "substantially equal periodic payments." What about the basis of property exchanged in the property settlement? What about property sold or transferred between the former spouses shortly after the divorce? Come join Dale in a lively discussion of how many ways we have to look at the divorce in order to get the correct answer on the tax return.

Learning Objectives

After completing this course a tax professional will be able to:

- Determine who is entitled to claim the children of a divorced couple.
- Explain what changes when a dependent reaches age of majority.
- Develop any community property issues that may exist.
- Identify if more than one filing status may be available to the client.
- Calculate the amount of child support deemed paid in a year when the payer spouse has not made all required payments of child support and alimony.
- Analyze the effects of the divorce on the basis assets coming out of the property settlement.
- Determine who is entitled to any carryover attributes that existed on the prior jointly filed return.
- Identify the amount of a reduction a taxpayer receiving substantially equal periodic payments from their IRA may take and avoid any penalties.

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Dale provides financial planning and asset management services through Securities America Advisors, Inc. (SAA) He is a registered representative of and offers securities through Securities America Inc. (SAI) member FINRA/SIPC, holding series 7, 24 and 63 licenses.

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