

Tax Filing or Fooling: Review Your Spouse's Tax Forms

Among the annual rites of spring is the filing of your income tax return. In the majority of households, that means one spouse will simply ask another to "sign here," and the other spouse never looks at any part of the return other than the signature line.

However, the fine print right above the signature lines clearly states "Under penalties or perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete."

In my nearly 25 years of practicing law, I would estimate that 2 out of 3 spouses do not look at their tax returns before signing and are not aware of what they are consenting to.

Whether you are newly married, been happily married for 25 plus years, or are considering a divorce, it is never too soon to gain a basic understanding of your financial picture. All you need to do is take a few simple steps that any person can follow without the benefit of an education in financial planning:

- Read the entire return.

- Note how many exemptions are being reported. Does the number accurately reflect your family?
- Review the income being reported on line 7. Is this number reasonable based on what you know?
- What is the taxable interest on line 8a? What dividends are being reported? Do they reflect the bank accounts and investments of which you are aware?
- See if some or all of the taxes are being paid either through federal income tax withheld, which is reported on line 61, or through estimated tax payment reported on line 62.

If there are taxes owed on line 75, is there a check attached that covers that amount?

Remember – you will be held liable for what is being reported, whether your spouse or a professional accountant prepared the form.

Before signing your tax returns, it is wise to discuss any questions you may have with your spouse.



Carlton R. Marcyan

312.218.5560

contactus@marcyanmediation.com

If you don't get reasonable answers, or you are not comfortable asking, consider meeting with a family lawyer who is skilled in financial matters and holds a designation such as a Certified Financial Planner, Certified Public Accountant or Certified Divorce Financial Analyst. Such a conference is especially valuable for couples with substantial income and assets, which can be legally and financially complex.

Finally, remember to ask for and keep a copy of your tax return. If your spouse does not comply, you can request one from the IRS using Form 4506.

MARCYAN MEDIATION

MarcyanMediation.com