

Alimony Income

Form 1040 Line 11

Pub 4012 Page E-3

Pub 4491 Part 3



Alimony Received



Pub 4012 Pg E-3

What is Alimony?

- Spousal support under separation or divorce instrument
- Usually stops if recipient remarries, may stop sooner
- Not subject to change based on factors such as age of a child
 - Child/family support is NOT alimony



The Interview



- Point of awareness

Yes	No	Unsure	Check appropriate box for each question in each section
Part III – Income – Last Year, Did You (or Your Spouse) Receive			
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6. (B) Alimony income?



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Where do I get alimony information?

- Intake Sheet Part III Question 6
- Taxpayer needs to provide information of actual amount received in 2014
- Look at prior year return



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- Not earned income for EIC
- Not earned income for child tax credit
- Not earned income for dependent care credit
- But IS “compensation” for IRA

Alimony Received



- Input directly on 1040 Line 11
- If more than one source – link to Scratch Pad

11	Alimony received	2400
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Alimony – Community Property State



- Special rule applies for alimony received in community property state from community income before divorce is finalized
- See Pub 555

Quality Review – Alimony Received




- Answer on Intake Sheet Q 6 yes?
- Did last year return show alimony income?
- Confirm required by divorce decree or separation instrument and is not child support

Quality Review – Alimony Received

- Does taxpayer want to make an IRA contribution, if otherwise eligible?
 - Retirement saving credit?
- IRA – covered in Adjustments Lesson
- Retirement saving credit – covered in Miscellaneous Credits Lesson

Taxpayer Summary Alimony Received



- Alimony income can cause a balance due on return 
 - Increase withholding for 2014?
 - Estimated tax payments for 2014?

Alimony Received

Comments?



Questions?