

✓ Divorce Settlement Tax Checklist

A quick guide to avoid costly IRS mistakes after divorce

1

Filing Status

- ☐ Check marital status on Dec 31
- ☐ Pick correct status: Single / HOH / MFS
- ☐ Confirm who claims dependents (Form 8332 if transferring)

2

Property Division

- ☐ Transfers within 1 year or per decree = non-taxable
- ☐ Watch for capital gains when selling later
- ☐ Record cost basis for future reporting

3

Alimony

Divorce Finalized	Taxable?	Deductible?
Before 2019	✓	✓
2019 or Later	✗	✗

4

Child Support

- ☐ Not taxable, not deductible
- ☐ Custodial parent usually claims credit
- ☐ Use Form 8332 if transferring rights

5

Smart Planning Tips

- ☐ Review lump sum vs. ongoing payments
- ☐ Coordinate dependent claims
- ☐ Keep copies of decree, QDRO, IRS forms

6

Retirement Accounts

Account Type	Requires QDRO?	Tax-Free Transfer?
401(k), Pensions	✓	Only with QDRO
IRAs	✗	If “incident to divorce”

⚠ Don't take direct withdrawals — they may be taxed + penalized.