

# ✓ Divorce Settlement Tax Checklist

A quick guide to avoid costly IRS mistakes after divorce

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## Filing Status

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

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## Property Division

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

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## Alimony

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

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## Child Support

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

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## Smart Planning Tips

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

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## 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.