

## Personal Income Taxes

### **WHAT IS MY FILING STATUS?**

Your filing status depends on whether you're single or married on the last day of the tax year. If you were married during the tax year but got divorced before the last day of the year, you cannot file as married. Similarly, if you were single most of the tax year but got married (and were not legally separated) before the year ended, you must file as married for that year.

- 1. Single** – Your filing status is single if, on the last day of the year, you are unmarried or *legally separated* from your spouse under a divorce or separate maintenance decree, and you do not qualify for another filing status.
  
- 2. Married Filing Jointly** – You can choose married filing jointly as your filing status if you are married and both you and your spouse agree to file a joint return. On a joint return, you report your combined income and deduct your combined allowable expenses. You can file a joint return even if one of you had no income or deductions. Your standard deduction may be higher on a joint return, and you may qualify for tax benefits that do not apply to other filing statuses.
  
- 3. Married Filing Separate** – This filing status may benefit you if you want to be responsible only for your own tax or if it results in less tax than filing a joint return. Certain Credits/Deductions are NOT available when filing Married Filing Separate, including:
  - i. Credit for Child and Dependent Care Expenses (in most cases);
  - ii. Earned Income Credit;
  - iii. Education Credits, Student Loan Interest Deduction, and Tuition and Fees Deduction.
  
- 4. Head of Household** – You can choose this filing status if:
  - i. You are unmarried or “considered unmarried” (see tax advisor) on the last day of the year;
  - ii. You paid more than one half the cost of keeping up a home for the year; AND
  - iii. A qualifying person lived with you in the home for more than half the year (some exceptions).

\* Many single parents and separated spouses with children qualify for this filing status.
  
- 5. Qualifying Widow(er) With Dependent Child** – If your spouse died during the tax year, you can use married filing jointly as your filing status for that year if you otherwise qualify to use that status. You may be eligible to file as a “Qualifying Widow(er)” for two years following the year of death of your spouse. This filing status entitles you to use joint return tax rates and the highest standard deduction amount.

## WHICH FORM SHOULD I USE?

You must use one of three forms to file your return: Form 1040EZ, Form 1040A or Form 1040.

- 1. Form 1040EZ** – This is the simplest form to use. Generally used when:
  - i. You are filing Single or Married Filing Jointly;
  - ii. You were under age 65 and not blind at the end of 2003;
  - iii. You do not claim any dependents; and
  - iv. Your taxable income (wages, salaries, interest income of \$1,500 or less) is less than \$50,000.
  
- 2. Form 1040A** – Generally used when:
  - i. Your taxable income (wages, salaries, IRA distributions, interest/dividends) is less than \$50,000;
  - ii. You claim limited adjustments to income, e.g. IRA deductions, Student Loan Interest/Tuition and Fees;
  - iii. You claim limited credits, e.g. Child/Dependent Care expenses, Child Tax Credit, Education Credits.
  
- 3. Form 1040** – Use when you cannot use Form 1040EZ or Form 1040A. You can use this form to report all types of income, deductions and credits. You may pay less tax by filing Form 1040 because you can take itemized deductions, some adjustments to income, and credits you cannot take on Form 1040A or Form 1040EZ.

## WHAT IF I NEED AN EXTENSION OF TIME TO FILE MY FEDERAL TAX RETURN?

- 1. Inside the U.S. on April 15** - If you are in the U.S. on April 15, you can request a **4-month** extension of time to file by filing IRS Form 4868 and paying any estimated tax due. Interest will be charged on unpaid tax.
  
- 2. Outside the U.S. and Puerto Rico** – You can apply for a **2-month** extension if you: live and have your main place of business or post of duty outside the U.S. and Puerto Rico; OR are in the military and are assigned to duty outside the U.S. and Puerto Rico. The following rules apply:
  - i. IRS Form 4868 is not required;
  - ii. Interest is charged from April 15 until tax is paid;
  - iii. You must attach a statement to the tax return explaining how you qualify;
  - iv. On a Joint Return, only one spouse needs to qualify.
  
- 3. Combat Zone/Qualified Hazardous Duty Area** - Military personnel serving in a Combat Zone/QHDA generally qualify for an automatic **6-month** extension (federal returns) of time to:
  - i. File tax returns;
  - ii. Pay taxes due;
  - iii. File a claim for refund.

The 6-months runs from the date the service member leaves the Combat Zone/QHDA. Personnel who qualify for this extension should write the name of the operation and "Combat Zone" on top of their tax return in RED INK, e.g. "Operation Iraqi Freedom COMBAT ZONE". The deployed service member (or a spouse) should notify the IRS that the member is serving in a Combat Zone/QHDA. Send email to COMBATZONE@irs.gov. Include (1) service member's name (2) stateside address and (3) date deployed to Combat Zone/QHDA. Examples of Combat Zone/QHDA: Afghanistan (Operation Enduring Freedom), Kosovo Area and Persian Gulf Area.

**CAN MY SPOUSE FILE OUR TAXES USING A POWER OF ATTORNEY?**

You can appoint your spouse to sign your return for you by completing IRS Form 2848. The spouse must attach this form to the return when it is filed. All income and deductions for both spouses are included.

**TAX ASSISTANCE**

You may seek assistance with tax matters at your local VITA Tax Center or Legal Assistance Office. For more information, you may wish to review the publications listed below, which are available on the IRS website at [www.irs.gov](http://www.irs.gov). You may also contact the IRS Taxpayer Advocate to order forms or for help resolving tax issues at 1-877-777-4778. See also IRS Publications: Pub 17 "Your Federal Income Tax"; Pub 3 "Armed Forces Tax Guide"; Pub 54 "Tax Guide for U.S. Citizens and Resident Aliens Abroad." [www.irs.gov](http://www.irs.gov).