

To apply for Innocent Spouse Relief, fill out IRS Form 8857, Request for Innocent Spouse Relief, within two years after the date the IRS first attempts to collect the tax from you. See IRS Publication 971, Innocent Spouse Relief, for more information. You may also wish to consult a professional advisor for help. If you cannot afford to do so, help may be available through a law school or non-profit tax clinic in your area. Refer to the free services outlined on the back of this brochure.

Obtaining the publications referred to in this brochure is as easy as dialing a toll-free number or accessing a website.

Internal Revenue Service (IRS)
www.irs.gov

IRS Tax Forms 1-800-TAX-FORM
(800-829-3676)

IRS Tax Information 1-800-TAX-1040
(800-829-1040)

American Bar Association (ABA) Section of Taxation
www.abanet.org/tax

American Bar Association (ABA)
Commission on Domestic Violence
www.abanet.org/domviol

You may be able to get free tax help. Volunteer Income Tax Assistance (VITA) provides volunteers in local areas who prepare simple tax returns.

Dial 1-800-TAX-1040
from February through April 15
to find the nearest VITA site.

The IRS is pleased to cooperate with organizations in bringing you the kind of information presented in this brochure. In doing so, the IRS neither prefers nor endorses any organization over another.

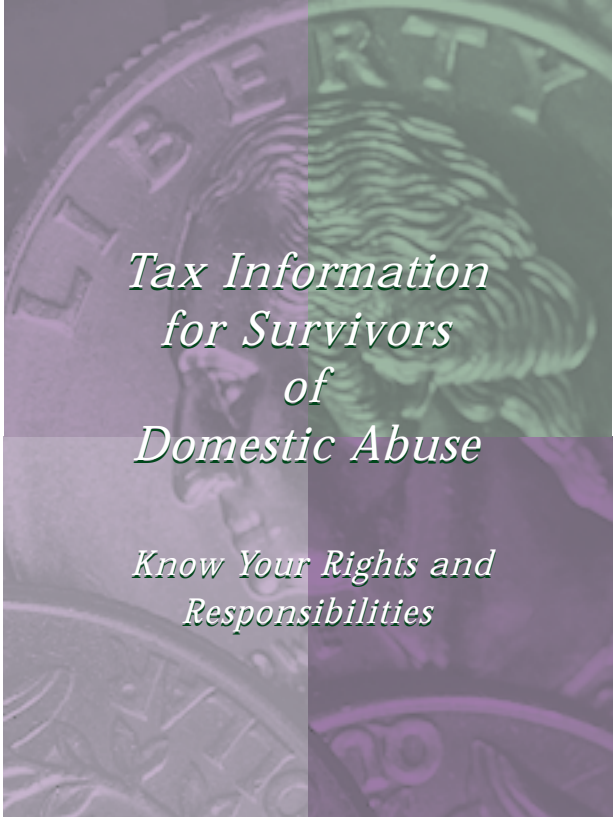


Department of the Treasury
Internal Revenue Service

www.irs.gov

Publication 3865 (6-2002)
Catalog Number 32346J

YOUR MONEY MATTERS



*Tax Information
for Survivors
of
Domestic Abuse*

*Know Your Rights and
Responsibilities*


A joint public service of the Internal Revenue Service, the American Bar Association Section of Taxation, and the American Bar Association Commission on Domestic Violence

What tax or financial records should I keep?

Keeping records is necessary to prepare a complete and accurate income tax return. For more information on record-keeping, get IRS Publication 552, Record-keeping for Individuals.

What other tax issues do I need to think about?

If you have questions regarding medical expenses, bad debts, powers of attorney, or state tax liabilities, the IRS and/or the ABA has more resources to help you. Please call the numbers listed in this brochure, or check out the websites for more information.



Domestic abuse is not just physical abuse. It often includes economic control. As a survivor of domestic abuse, you can take control of your finances. An important part of managing your finances is understanding your tax rights and responsibilities.

RIGHTS & RESPONSIBILITIES

You have the right to:

- File a separate return even if you're married
- See and understand the entire tax return (including supporting documents) before signing a joint return
- Refuse to sign a joint return
- Request an automatic 4-month extension of time to file your tax return
- Get copies of prior years' tax returns from the IRS
- Request relief from your spouse's liability
- Obtain independent legal advice

You have a responsibility to:

- File a timely return if you have income
- Include all income on your return
- Pay the taxes owed
- Read and comply with correspondence from the IRS
- Notify the IRS of any name or address changes

FREQUENTLY ASKED QUESTIONS

Do I have to file a tax return?

Whether you have to file a tax return depends on your filing status, age, and gross income. If you are married, you have the option to file either a joint return or a separate return. See IRS Publication 501, Exemptions, Standard Deduction, and Filing Information, for more information.

What if I need more time to prepare my tax return? What if I can't pay the tax I owe?

If you cannot file your return by the due date, you may apply for an automatic 4-month extension of time using IRS Form 4868, Application for Automatic Extension of Time to File U.S. Individual Income Tax Return. If you cannot pay the full amount of tax shown on your return (or on a notice you received), you can request an installment agreement using Form 9465, Installment Agreement Request.

What if I move, get a new job, or go back to school? What if I get separated or divorced?

All of these situations can impact your taxes. When you have questions, you should call the IRS, a tax professional, or check out the websites listed on the back of this brochure.

Does having children affect my taxes?

If you have a qualifying child, there are several tax credits that may reduce the amount of tax you owe. Some credits may also give you a refund, even if you paid little or no tax. But to get the benefit of these credits, you must file a tax return.

The Earned Income Tax Credit (EITC) may be available if you are working and your earnings are low. The credit may be larger if you have one or more children living with you. You cannot take this credit if you file as married filing separately, but if your spouse didn't live in your home at any time during the last six months of the year, you may be able to file as 'head of household' and claim the EITC. See IRS Publication 596, Earned Income Credit, for more information on the credit, and IRS Publication 501 for more on filing as 'head of household.'

The Child Tax Credit may reduce your tax or increase your refund by up to \$600 for each qualifying child under age 17. See IRS Publication 17, Your Federal Income Tax, for more information.

Finally, the Child and Dependent Care Credit may cut your tax by as much as 30% of your expenses. See IRS Publication 503, Child and Dependent Care Expenses, for more information.

What if the IRS says I owe more money because of my spouse or former spouse's earnings?

You may be surprised to know that when a husband and wife file a joint return, either spouse can be held liable for any tax later found to be due on the return, even if the parties later divorce or the tax bill arises because of the other spouse's transactions. This is called 'joint and several liability.'

The good news is that if the IRS determines that you owe additional tax based on your spouse's share of the return, you may have a defense based on the "innocent spouse" or "separate liability" provisions of the tax law.

You may be eligible for Innocent Spouse Relief from the IRS, if you signed a joint return with your spouse and you thought your spouse had paid the taxes due. You also may be eligible if the IRS increased your taxes because of your spouse's unreported income or erroneous deductions, but you knew nothing about the unreported or improper items when you signed the return.

YOUR MONEY MATTERS