

P+P TAX TIP: CLAIMING HEAD OF HOUSEHOLD

Overview

Choosing the correct filing status is important for calculations throughout the tax return. Most statuses are straight-forward to identify, but Head of Household can be a little tricky, because taxpayers with various marital statuses and dependent situations may qualify.

Generally, to claim Head of Household, a taxpayer must meet these three rules:

1. Be unmarried or be considered unmarried for tax purposes.
2. Pay for more than half the cost of keeping up a home for a Qualifying Person.
3. Have a Qualifying Person who lived with them for more than half the year.
 - o *Exception: If the Qualifying Person is a parent, they do not need to have lived with the taxpayer.*

Special Head of Household Considerations

- **Custodial Parents** who meet all the other criteria will qualify to claim Head of Household even in years when a noncustodial parent claims a child for other tax benefits. The residency requirement prevents a noncustodial parent from qualifying.
- **TaxSlayer filing status changes** cause the state tax return to be deleted! Carefully review the Head of Household filing status rules for taxpayers.

Rule 1: Unmarried or considered unmarried

A taxpayer who is eligible to claim Head of Household filing status may have a marital status of single, married, divorced, legally separated, or widowed! Additional spouse and dependent details are needed to determine if the taxpayer can use Head of Household.

- **Unmarried:** Taxpayers who are single, divorced, legally separated, or widowed.
 - o *Widowed taxpayers may qualify to use the more advantageous filing statuses of Married Filing Jointly or Qualifying Surviving Spouse.*
- **Considered unmarried:** Taxpayers who are married and will file a separate return from their spouse. The spouse must not have lived with the taxpayer during the last six months of the tax year.

Rule 2: Pay more than half the cost of keeping up the home

In most situations, it's clear that a taxpayer did or did not pay for more than half the cost of keeping up their home. If there's any doubt, a worksheet in Pub 4012 on page B-15 lists common costs and helps you calculate the portion of expenses the taxpayer paid.

- *Include:* rent, mortgage payments, property tax payments, food costs, utility payments, and other household expenses.
- *Do not include:* clothing, education, medical treatment, or vacations expenses.

Taxpayers who receive public benefits like Minnesota Family Investment Payments (MFIP) or Supplemental Security Income (SSI) should count these funds as money they pay toward keeping up the home.

Rule 3: Qualifying Person

The definition of who is a qualifying person is different for people who are actually unmarried and people who are considered unmarried for tax purposes.

Unmarried taxpayers Qualifying Person:

- Qualifying Child dependent who lived with the taxpayer over half the year
- Parent who is a dependent who lived with or separate from the taxpayer
- Qualifying Relative dependent who lived with the taxpayer over half the year and was a child or a descendant of a child; sibling or child of a sibling; parent or ancestor/sibling of a parent

Considered unmarried taxpayers Qualifying Person:

- A child, stepchild, or fosterchild who lived with the taxpayer more than half the year and can be claimed as a dependent

The Qualifying Person definition for a taxpayer who is “considered unmarried” is very limited. The taxpayer may be able to claim a parent or a grandchild as a dependent, but the person will not qualify them for Head of Household filing status.

Using the IRS Intake Sheet

The IRS intake sheet and a taxpayer interview are your most valuable tools in determining filing status. The numbered questions below determine eligibility for Head of Household.

Part II – Marital Status and Household Information													
1. As of December 31, 2023, what was your marital status?													
		<input type="checkbox"/> Never Married		(This includes registered domestic partnerships, civil unions, or other formal relationships under state law)									
		<input type="checkbox"/> Married		a. If Yes, Did you get married in 2023? <input type="checkbox"/> Yes <input type="checkbox"/> No									
		<input type="checkbox"/> Divorced		b. Did you live with your spouse during any part of the last six months of 2023? <input type="checkbox"/> Yes <input type="checkbox"/> No									
		<input type="checkbox"/> Legally Separated		Date of final decree _____									
		<input type="checkbox"/> Widowed		Date of separate maintenance decree _____									
				Year of spouse's death _____									
2. List the names below of: • everyone who lived with you last year (other than your spouse) • anyone you supported but did not live with you last year													
If additional space is needed check here <input type="checkbox"/> and list on page 3													
To be completed by a Certified Volunteer Preparer													
Name (first, last) Do not enter your name or spouse's name below	Date of Birth (mm/dd/yy)	Relationship to you (for example: son, daughter, parent, none, etc)	Number of months lived in your home last year	US Citizen (yes/no)	Resident of US, Canada, or Mexico last year (yes/no)	Single or Married as of 12/31/23 (S/M)	Full-time Student last year (yes/no)	Totally and Permanently Disabled (yes/no)	Is this person a qualifying child/relative of any other person? (yes/no)	Did this person provide more than 50% of his/her own support? (yes,no,n/a)	Did this person have less than \$4,700 of income? (yes,no,n/a)	Did the taxpayer(s) provide more than 50% of support for this person? (yes/no/n/a)	Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)					

- 1. Marital status:** Reminder, any marital status can qualify for Head of Household. Additional dependent and spouse details are needed.
- 2. Spouse follow-up questions:** The extra questions about marriage determine if the taxpayer is actually unmarried (ex: finalized divorce) or can be considered unmarried (if their spouse did not live with them in the last 6 months of the year).
- 3. Relationship:** How a person is related to the taxpayer helps determine if they are a Qualifying Person for Head of Household. Reminder, this definition is different depending if the taxpayer is married or considered unmarried.
- 4. Months lived in the home:** How long a person lived with the taxpayer helps determine if they are a Qualifying Person. Reminder, a parent can be a Qualifying Person for an unmarried taxpayer even if they did not live with the taxpayer at all.
- 5. More than half the cost:** The taxpayer must have provided more than half the cost of maintaining the home for a Qualifying Person. Reminder, use the worksheet in Publication 4012 on page B-15 if the answer to this question is unclear.