

**ARIZONA INDIVIDUAL INCOME TAX RULING**  
**ITR 93-23**

This substantive policy statement is advisory only. A substantive policy statement does not include internal procedural documents that only affect the internal procedures of the agency and does not impose additional requirements or penalties on regulated parties or include confidential information or rules made in accordance with the Arizona administrative procedure act. If you believe that this substantive policy statement does impose additional requirements or penalties on regulated parties you may petition the agency under Arizona Revised Statutes § 41-1033 for a review of the statement.

**ISSUE:**

For Arizona income tax purposes, how do divorced individuals treat their income, deductions, exemptions, and withholding for the year of divorce?

**APPLICABLE LAW:**

Arizona Revised Statutes (A.R.S.) § 25-211 provides that all property acquired by either husband or wife during marriage is community property, except that which is acquired by gift or by inheritance.

A.R.S. § 25-213 provides that all property owned by each spouse before marriage, and that property acquired after marriage by gift or by inheritance, is the separate property of such spouse.

A.R.S. § 43-1001 defines a "married person," for Arizona income tax purposes, to mean a married person on the last day of the taxable year.

**DISCUSSION:**

Since the marital status of taxpayers is determined on the last day of the tax year, a person divorced during the year is not eligible to file a joint return with the former spouse. In determining items reportable on their respective separate returns, the parties, in effect, split their tax year into the period before the divorce and the period after the divorce.

With respect to the period before the divorce, the former spouses may have community income, deductions, and withholding. Each individual should report one-half of community income and any separate income on his or her respective return. When community income is reported, each individual may claim one-half of the deductions and credits related to items of community property, including one-half of the total income tax withheld from community income. Income received in the period after the divorce is the separate income of the individual who earned it or owns the property producing it. Dependent exemptions may only be claimed by the taxpayer who provides over one-half of the dependent's support for the tax year. The personal exemption is claimed by each taxpayer on his or her respective return.

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### RULING:

For the year of divorce, each individual reports one-half of community income and any separate income on his or her Arizona return. When community income is reported, each individual may claim one-half of the deductions and credits related to items of community property, including one-half of the Arizona income tax withheld from community income. Dependent exemptions may only be claimed by the taxpayer who provides over one-half of the dependent's support for the tax year. The personal exemption is claimed by each taxpayer on his or her respective return.

Harold Scott, Director

Signed: December 6, 1993

### Explanatory Notice

The purpose of a tax ruling is to provide interpretive guidance to the general public and to department personnel. A tax ruling is intended to encompass issues of law which are not adequately covered in statute, case law or administrative rules. A tax ruling is a position statement which provides interpretation, details or supplementary information concerning the application of the law. **Relevant statute, case law, or administrative rules, as well as a subsequent ruling, may modify or negate any or all of the provisions of any tax ruling.** See GTP 92-1 for more detailed information regarding documents issued by the Department of Revenue.

**APPENDIX TO ARIZONA INDIVIDUAL INCOME TAX RULING - ITR 93-23**  
**(Appendix Amended 4/15/2011)**

For more information concerning the application of Arizona's community property provisions to Arizona income taxation, see the following income tax rulings:

- ITR 93-18     Income Reporting Requirements for Married Arizona Residents Who File Separate Arizona Individual Income Tax Returns
- ITR 93-19     Deductions, Exemptions, and Credits for Married Taxpayers Who File Separate Arizona Individual Income Tax Returns
- ITR 93-20     Income Reporting Requirements of Resident and Nonresident Spouses Who File Separate Arizona Individual Income Tax Returns
- ITR 95-2       Filing a Joint Tax Return When a Resident Spouse is Married to a Part-Year Resident or Nonresident
- ITR 93-22     When Community Income May Be Treated as Separate Income
- ITR 97-2       Joint and Several Income Tax Liability
- ITR 93-25     Tax Collection from a Divorced Individual for Tax Due on a Separate Return Filed by the Former Spouse
- ITR 93-26     Tax Collection from Married Individuals for Premarital Income Tax Liabilities