

California Head of Household Filing Status

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FTB Pub 1540

- 1 Single
- 2 Married filing joint return (even if only spouse had income)
- 3 Married filing separate return. Enter spouse's social security number above and full name here _____
- 4 Head of household (with qualifying person).
- 5 Qualifying widow(er) with dependent child. Enter year spouse died _____ .

California Franchise Tax Board

FTB 540 & 540A | Information

Tax Information for Head of Household Filing Status (Tax Year 2006)

Introduction

There are new rules for claiming the head of household filing status. Beginning with the 2005 tax year, the federal Working Families Tax Relief Act of 2004 established a uniform definition of a qualifying child for the purpose of determining entitlement to head of household filing status and the Dependent Exemption Credit.

The legal requirements for the filing status are more complicated than simply being the head of the house. To qualify for the status, you must have a qualifying person who is either a qualifying child or qualifying relative. You must also pay more than half the cost of keeping up a home in which you and the qualifying child or qualifying relative lived for more than half the year. Although you may be the head of your house, you may not qualify for the head of household filing status under state and federal tax laws.

There are two reasons to determine if you qualify: (1) the head of household filing status provides a lower tax rate and, (2) the filing status provides a higher standard deduction than either single or married filing separately statuses. If you are married, the married filing jointly status normally provides the lowest tax rate and highest standard deduction. If you use the head of household filing status and are not qualified to do so, you may be subject to additional tax, interest, and any penalties that may apply.

To find out if you qualify, read the General Rules in the next column, then read the Self-Test Instructions that follow. Choose and complete the appropriate self-test for your circumstances and you will know if you qualify to use the head of household filing status.

Also, included on the back cover are some questions and answers about whether taxpayers in certain situations can qualify for the head of household filing status.

Important: As you read the General Rules and the Self-Tests, you will see that we have underlined certain terms. For each underlined term, there is a legal definition in the section following the Self-Test. Even if you think you know the meaning of a term, you should read the legal definition. The legal definition

of a term is used to determine whether you qualify for the head of household filing status. For your convenience, we have provided you with definitions of the terms used in the publication. The definitions start on page 6.

General Rules

If you use the head of household filing status on your federal tax return, you must also use it on your California tax return.

You are entitled to the head of household filing status only if **all** the following apply:

- ✧ You were unmarried or met the requirements to be considered unmarried on the last day of the year.
- ✧ You paid more than one-half the costs of keeping up a home for the year.
- ✧ Your home was the main home for you and a qualifying person who lived with you for more than half the year.
- ✧ Your qualifying person met the requirements to be a qualifying child or qualifying relative.
- ✧ You were not a nonresident alien at any time during the year.

Note: If you, your spouse, or your qualifying person who lived with you was absent from your home during the year, see the definitions for each term. If your qualifying person is your father or mother, see Parent (Father or Mother).

If any of the following terms apply, please see the Definitions of Terms beginning on page 6.

- Annulment
- Death/Birth
- Joint custody
- Multiple support agreement
- Parent (Father or Mother)
- Widow or Widower

If you incorrectly claimed the head of household filing status on your federal tax return, you should amend your federal return to a correct filing status. Then, you should use the same filing status on your California tax return

Self-Test Instructions

Complete the self-test to see if you qualify to use the head of household filing status. Although there are three self-tests, only one will apply to you.

- Complete Self-Test 1 below, if you were **single and had never been married** as of the last day of the year.
- Complete Self-Test 2 (page 3), if you were **married as of the last day of the year**.
- Complete Self-Test 3 (page 4), if you were **divorced or legally separated as of the last day of the year**.

Self-Test 1 — For single never married taxpayers

If you were single and had never been married as of the last day of the year, answer the questions below to see if you qualify.

1. Did you keep up a home for your qualifying child who, as of the last day of the tax year, had not yet reached the age of 19, or was a full-time student who had not yet reached the age of 24? A qualifying child can be your birth child, stepchild, adopted child, eligible foster child, brother, sister, half brother, half sister, stepbrother, stepsister, or a descendant of one of these?
 Yes. Go to question 2.
 No. Go to question 3.
2. Did this person provide more than half of his or her own support during the year?
 Yes. Go to question 3.
 No. Go to question 8.
3. Without regard to the person's age, did you keep up a home for your qualifying relative? A qualifying relative can be your birth child, stepchild, adopted child, eligible foster child, or a descendant of one of these. Your qualifying relative may also be your brother, sister, half-brother, half-sister, stepbrother, stepsister, parent, grandparent, stepparent, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, sister-in-law, or your blood related uncle, aunt, nephew, or niece?
 Yes. Go to question 4.
 No. **Stop**. You do not qualify.
4. Did you provide more than half of the support for this person?
 Yes. Go to question 5.
 No. **Stop**. You do not qualify.
5. Did this person have gross income less than \$3,300 during the year?
 Yes. Go to question 6.
 No. **Stop**. You do not qualify.
6. Was this person your parent (mother or father)?
 Yes. Go to question 7.
 No. Go to question 8.
7. Did you provide more than half the cost of keeping up a separate residence in which your parent lived for the entire year?
 Yes. Go to question 10.
 No. Go to question 8.
8. Did this person live with you for more than half the year?
 Yes. Go to question 9.
 No. **Stop**. You do not qualify.
9. Did you pay more than half the cost of keeping up a home?
 Yes. Go to question 10.
 No. **Stop**. You do not qualify.
10. Did your qualifying person file a joint federal tax return with his or her spouse? (For an exception to this rule, see the joint return test in the Definitions section under Qualifying Relative.)
 Yes. **Stop**. You do not qualify.
 No. Go to question 11.
11. Was your qualifying person a citizen or national of the U.S. or a resident of the U.S., Canada, or Mexico?
 Yes. You qualify to use the head of household filing status.
 No. **Stop**. You do not qualify.

Self-Test 2 — For married taxpayers

If you were married as of the last day of the year, answer the questions below to see if you qualify.

1. Did you live with your spouse at any time during the last six months of the year?
 - Yes. **Stop.** You do not qualify.
 - No. Go to question 2.
2. Did you keep up a home for your birth child, stepchild, adopted child, or eligible foster child who, as of the last day of the tax year, had not yet reached the age of 19, or was a full-time student who had not yet reached the age of 24?
 - Yes. Go to question 3.
 - No. Go to question 4.
3. Did your child provide more than half of his or her own support during the year?
 - Yes. Go to question 4.
 - No. Go to question 7.
4. Without regard for the child's age, did you keep up a home for your birth child, stepchild, adopted child, or eligible foster child?
 - Yes. Go to question 5.
 - No. **Stop.** You do not qualify.
5. Did you provide more than half the support for your child?
 - Yes. Go to question 6.
 - No. **Stop.** You do not qualify.
6. Did your child have gross income less than \$3,300 during the year?
 - Yes. Go to question 7.
 - No. **Stop.** You do not qualify.
7. Did your spouse (ex-spouse) live with you and your child during the year?
 - Yes. Go to question 8.
 - No. Go to question 9.
8. Did your child live with you for more than half the year? You may include half the time that you, your spouse (ex-spouse), and your child lived together, and all of the time you and your child lived together without your spouse.
 - Yes. Go to question 10.
 - No. **Stop.** You do not qualify.
9. Did your child live with you for more than half the year?
 - Yes. Go to question 10.
 - No. **Stop.** You do not qualify.
10. Did you pay more than half the cost of keeping up your home during the year?
 - Yes. Go to question 11.
 - No. **Stop.** You do not qualify.
11. Did your child file a joint federal return with his or her spouse? (For an exception to this rule, see the joint return test in the Definitions section under Qualifying Relative.)
 - Yes. **Stop.** You do not qualify.
 - No. Go to question 12.
12. Was your child a citizen or national of the U.S. or a resident of the U.S., Canada, or Mexico?
 - Yes. You qualify to use the head of household filing status.
 - No. **Stop.** You do not qualify.

Self-Test 3 — For divorced or legally separated taxpayers

If you were divorced or legally separated by the last day of the year, answer the questions below to see if you qualify.

1. Did you keep up a home for your qualifying child who, as of the last day of the tax year, had not yet reached the age of 19, or was a full-time student who had not yet reached the age of 24? Your qualifying child can be your birth child, stepchild, adopted child, eligible foster child, brother, sister, half brother, half sister, stepbrother, stepsister, or a descendant of one of these.
 Yes. Go to question 2.
 No. Go to question 3.
2. Did this person provide more than half of his or her own support during the year?
 Yes. Go to question 3.
 No. Go to question 8.
3. Without regard to the person's age, did you keep up a home for your qualifying relative? A qualifying relative can be your birth child, stepchild, adopted child, eligible foster child, or a descendant of one of these. Your qualifying relative may also be your brother, sister, half brother, half sister, stepbrother, stepsister, parent, grandparent, stepparent, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, sister-in-law, or your blood related uncle, aunt, nephew, or niece.
 Yes. Go to question 4.
 No. **Stop.** You do not qualify.
4. Did you provide more than half the support for this person?
 Yes. Go to question 5.
 No. **Stop.** You do not qualify.
5. Did this person have gross income less than \$3,300 during the year?
 Yes. Go to question 6.
 No. **Stop.** You do not qualify.
6. Was this person your parent (father or mother)?
 Yes. Go to question 7.
 No. Go to question 8.
7. Did you provide more than half the cost of keeping up a separate residence in which your parent lived for the entire year?
 Yes. Go to question 13.
 No. Go to question 11.
8. Was this person your birth child, stepchild, adopted child, or eligible foster child?
 Yes. Go to question 9.
 No. Go to question 11.
9. Did your spouse (ex-spouse) live with you and your child during the year?
 Yes. Go to question 10.
 No. Go to question 11.
10. Did your child live with you for more than half the year? You may include half the time that you, your spouse (ex-spouse), and your qualifying child lived together, and all of the time you and your qualifying child lived together without your spouse.
 Yes. Go to question 12.
 No. **Stop.** You do not qualify.
11. Did your qualifying person live with you for more than half of the year?
 Yes. Go to question 12.
 No. **Stop.** You do not qualify.
12. Did you pay more than half the cost of keeping up your home during the year?
 Yes. Go to question 13.
 No. **Stop.** You do not qualify.
13. Did your qualifying person file a joint federal return with his or her spouse? (For an exception to this rule, see the joint return test in the Definitions section under Qualifying Relative.
 Yes. **Stop.** You do not qualify.
 No. Go to question 14.
14. Was your qualifying person a citizen **or** national of the U.S. or a resident of the U.S., Canada, or Mexico?
 Yes. You qualify to use the head of household filing status.
 No. **Stop.** You do not qualify.

Definitions of Terms

Adopted Child

An adopted child is a child you have legally adopted. After legal adoption, the child is considered your child by blood. Before legal adoption, a child is considered your child for head of household purposes if, during the tax year, he or she was placed with you for adoption by an authorized agency and was a member of your household. Also see the definition for Qualifying Child.

Annulment

If you were married in the tax year but the marriage was later annulled, you are treated as having been unmarried during the year.

Child

The federal Working Families Tax Relief Act of 2004 established a uniform definition of a child for purposes of determining entitlement to head of household filing status and the dependent exemption credit. In general, the term child means a birth child, stepchild, adopted child, or an eligible foster child of the taxpayer.

Considered Unmarried

If you were married as of last day of the tax year or if your spouse died during the tax year, you may be considered unmarried for head of household purposes. You may be considered unmarried if you meet all of the following requirements:

- Your qualifying person is your birth child, stepchild, adopted child, or eligible foster child.
- You filed a tax return separate from your spouse's tax return.
- You paid more than one-half the cost of keeping up your home for the year.
- Your spouse did not live in your home at any time during the last six months of the year (See Temporary Absence).
- Your home was the main home for you and your birth child, stepchild, adopted child, or eligible foster child for more than half the year.
- You must be entitled to claim a dependent exemption credit for your child. That is, your child must meet the requirements to be either a qualifying child or qualifying relative and meet the joint return and citizenship tests. However, you cannot claim a dependent exemption credit for your child if you could be claimed as a dependent by another taxpayer.

You can still meet this requirement. If the only reason you cannot claim a dependent exemption credit for your child is because either of the following applies, as provided in a decree of

divorce or legal separation, or a written separation agreement that applies to the tax year at issue:

- The noncustodial parent is entitled to the dependent exemption credit for the child, or
- The custodial parent signed a written statement that he or she will not claim the dependent exemption credit for the child. (The custodial parent may sign federal Form 8332, *Release of Claim to Exemption for Child of Divorced or Separated Parents*, or a similar statement.) The noncustodial parent must attach a copy of the statement to his or her income tax return

Death or Birth

If the person who you believe qualifies you to file as head of household is born or dies during the year, you may still be able to claim the head of household filing status. You must have provided more than half the cost of keeping up a home that was the person's main home for more than half the year. However, the requirement that the home must have been the person's main home for more than half the year does not apply if the person was not alive for more than half the year. In that case, the home must have been the person's main home for the period that the person was alive during the year.

Dependent Exemption Credit

You qualify for a dependent exemption credit for a qualifying person if (1) your qualifying person meets the requirements to be either a qualifying child or a qualifying relative, and (2) the qualifying person meets the joint return and citizenship tests below. However, you cannot claim any dependents if you could be claimed as a dependent by another taxpayer.

- **Joint return test.** Even if your qualifying person meets the requirements to be a qualifying child or qualifying relative, you are generally not allowed an exemption if he or she files a joint federal income tax return. However, you may take an exemption for a qualifying child or qualifying relative who files a joint federal income tax return, if either of the following applies:
 - Neither your qualifying child or qualifying relative nor their spouse would have a federal tax liability if they filed separate returns, and
 - Your qualifying child or qualifying relative and their spouse only filed a joint federal income tax return to get a refund of federal income tax withheld.
- **Citizenship test.** For some part of the calendar year in which your tax year begins, the qualifying child or qualifying relative must be a U.S. citizen or national, of the U.S., or a resident of the U.S., Canada, or Mexico.

Divorced

To be divorced, you must have a final judgment for dissolution of marriage that is effective by the last day of the tax year. Living apart from your spouse or filing a petition for divorce is not the same as having a final decree of divorce.

Eligible Foster Child

An eligible foster child is a child placed with you by an authorized placement agency or by a judgment, decree, or other order of a court of competent jurisdiction. Generally, formal placement ends when the child reaches the age of 18.

Full-time Student

A full-time student is a person who during some part of each of five calendar months during the year attended a school. The school must have a:

- Regular teaching staff.
- Course of study.
- Regular enrolled body of students in attendance.

The student must be enrolled for the number of hours or courses considered by the school as full-time attendance, or the student must be taking a full-time, on-farm training course given either by a school or by a state or political subdivision of a state. Schools may include primary and secondary schools, as well as technical schools, colleges, and universities.

Gross Income

Generally, gross income for head of household purposes only includes income that is taxable for federal income tax purposes. It does not include nontaxable income such as welfare benefits or the nontaxable portion of social security benefits. Based on the law, if half of social security benefits plus other income is \$25,000 or less, none of the social security income is taxable.

Joint Custody

If you have joint custody of your child, to qualify for the head of household filing status you must still meet all the requirements for the filing status. (See the General Rules on page 1.) These requirements include the following:

- Your child must have lived with you for more than half the year.
- You must have paid more than half the cost of keeping up your home.

Keeping Up A Home

You are keeping up a home only if you pay more than half the cost of keeping up the home for the year. Generally, if two or more people keep up the same home, only one of the people could pay more than half the costs and qualify for the head of household filing status. If two or more families occupy the same dwelling but maintain separate

finances, and each family does not contribute to the support of the other family, each family may be treated as keeping up a separate home. The taxpayer who provides more than half the cost of maintaining that separate home is treated as keeping up that separate home.

To determine whether you paid more than half the cost of keeping up a home, complete the following worksheet. Do not include costs of clothing, education, medical treatment, vacations, life insurance, transportation, rental value of a home you own, or value of your services or those of the person qualifying you as head of household. Temporary Assistance for Needy Families (formerly Aid to Families with Dependent Children) payments you use to keep up your home do not count as amounts you paid.

	Amount You Paid	Total Cost
Rent	\$ _____	\$ _____
Mortgage Interest	\$ _____	\$ _____
Property Taxes	\$ _____	\$ _____
Property Insurance	\$ _____	\$ _____
Utilities	\$ _____	\$ _____
Upkeep/Repairs	\$ _____	\$ _____
Food Consumed on the premises	\$ _____	\$ _____
Other household expenses	\$ _____	\$ _____
Totals	\$ _____	\$ _____
Minus total amount you paid		\$ (_____)

If the results above show that you paid more than half the total cost, you meet the requirement of keeping up your home.

Legally Separated

To be legally separated, you must be separated from your spouse under a final decree of legal separation that is effective by the last day of the tax year. A petition for legal separation or an informal separation agreement is not the same as a final decree of legal separation. Also, simply living apart from a spouse is not the same as being legally separated under a final decree of legal separation.

Main Home

For more than half the year, your home must be your main home and the main home of the person who you believe qualifies you for head of household filing status. Generally, the location of your and the other person's main home is determined by where you and the other person actually live. You and the other person must have lived together in your home for more than half the year, except for temporary absences. (See Parent (Father or Mother) and Temporary Absence.)

Married

If you are not unmarried under the situations shown under the definition for unmarried, you are married.

If you were married as of the last day of the year and lived with your spouse at any time during the last six months of the year, you cannot qualify for the head of household filing status.

If you marry during the tax year but do not live with your spouse due to housing, education, business, religious, military, or other reasons, you and your spouse are still considered members of the same household since there is no intent to sever the marriage. Your spouse's absence from your home is considered to be a temporary absence and you and your spouse are treated as having lived together during the last six months of the tax year.

More Than Half the Year

Just because someone lived with you for six months does not mean that the person lived with you for more than half the year. A year has 365 days and more than half the year is 183 days. (A leap year has 366 days and more than half a leap year is 184 days.)

To determine how many days your home was a person's main home, follow these guidelines:

- If you were not married at any time during the year, count all of the days that the person lived with you in your home.
- If you were married at any time during the year and were divorced or legally separated as of the last day of the year, add together:
 - Half the number of days that you, your spouse, and the person lived together, and
 - All of the days that you and the person lived together in your home without your spouse (ex-spouse).
- If you were married as of the last day of the year, and you did not live with your spouse at any time during the last six months of the year, add together:
 - Half the number of days that you, your spouse, and the person lived together, and
 - All of the days that you and the person lived together in your home without your spouse.
- If you were married as of the last day of the year, and you lived with your spouse at any time during the last six months of the year, you cannot qualify for the head of household filing status.

When calculating the above, you may include days when your qualifying person was temporarily absent from your home. Temporary absences include vacations, illness, business, school, or military service. Do not include any time the person was in the custody of another person under either a formal or informal custody agreement.

Multiple Support Agreement

Sometimes no one person provides more than half the support for an individual. Instead, two or more persons together provide more than half the individual's support. Each of these persons would be able to take the dependent exemption credit except for the support test (see Dependent Exemption Credit). When this happens, those providing the support can agree that one of them, who individually provides more than 10 percent of the individual's support, can take the exemption for that individual.

If you can take a dependent exemption credit for an individual only because of a multiple support agreement, that individual cannot qualify you for the head of household filing status.

National

A U.S. national is an individual who, although not a U.S. citizen, owes allegiance to the U.S. This includes American Samoans and Northern Mariana Islanders who chose to become U.S. nationals instead of U.S. citizens. For more information, get IRS Publication 519, *U.S. Tax Guide for Aliens*, or contact your local bureau of U.S. Citizenship and Immigration Services (USCIS).

Noncustodial Parent

The custodial parent is the parent in whose home a child lived for the greater part of the year. The noncustodial parent is the parent who is not the custodial parent. A child is treated as the qualifying child or qualifying relative of the noncustodial parent if all of the following conditions are met:

- The parents are divorced, legally separated, or lived apart at all times during the last six months of the year. (Parents who are married or who have never married each other must live apart at all times during the last six months of the year.)
- The child was in the custody of one or both parents for more than half of the year.
- The child received more than half of his or her support during the calendar year from his or her parents.
- Either of the following applies, as provided in a decree of divorce or legal separation, or a written separation agreement that applies to the tax year at issue.
 - The noncustodial parent is entitled to the dependent exemption credit for the child, or
 - The custodial parent signed a written statement that he or she will not claim the dependent exemption credit for the child. The custodial parent may sign federal Form 8332, *Release of Claim to Exemption for Child of Divorced or Separated Parents*, or a similar statement. The noncustodial parent must attach a copy of the statement to his or her income tax return.

The noncustodial parent qualifies for the dependent exemption credit for a child who is treated as his or her qualifying child or qualifying relative under the conditions set forth above. However, the noncustodial parent does not qualify for head of household filing status.

Nonresident Alien

An alien is a person who is not a U.S. citizen. A nonresident is a person who does not meet the green card test and the substantial presence test. If you are a nonresident alien during any part of the year, you do not qualify for head of household filing status even though you may meet all of the other rules for the filing status. For more information, get federal Publication 519, *U.S. Tax Guide for Aliens* at www.irs.ustreas.gov.

Nonresident Alien Spouse

If your spouse was a nonresident alien at any time during the year, you are unmarried for head of household purposes. As an unmarried taxpayer, you have a wider range of relatives who can qualify you for head of household filing status.

However, if you chose to treat your nonresident alien spouse as a resident alien, you remain married for head of household purposes. As a married taxpayer, only your child can qualify you for the filing status.

You are considered to have chosen to treat your nonresident alien spouse as a resident alien if you filed a joint return with your nonresident alien spouse in a previous year and you have not revoked that choice by the extended due date for filing the return at issue. For more information, get IRS Publication 519, *U.S. Tax Guide for Aliens* at www.irs.ustreas.gov.

Parent (Father or Mother)

If you were unmarried, you may be eligible for the head of household filing status even if your father or mother did not live with you. However, your parent must have been a citizen or national of the United States, or a resident of the United States, Canada, or Mexico.

You must be entitled to claim a dependent exemption credit for your parent. That is, your parent must meet the requirements to be your qualifying relative and you must have paid more than half the cost of keeping up a home that was your parent's main home for the entire year. Your parent's main home could have been his or her own home, such as a house or apartment, or could have been any other living accommodation.

Qualifying Child

A qualifying child is a person who meets all of the following tests:

- **Relationship Test.** The person must be one of the relatives listed below.

<u>Adopted child</u>	Nephew
<u>Stepchild</u>	Stepbrother
Brother	Half sister
Birth child	Niece
Grandchild	Stepsister
Sister	<u>Eligible foster child</u>
Half brother	

- **Age Test.** The person must be under 19 years of age or a full-time student under 24 years of age. The person also meets the age test if he or she is permanently and totally disabled at any time during the calendar year. (If the person does not meet the age test to be a qualifying child, he or she may meet the requirements to be a qualifying relative.)
- **Residency Test.** The person must live with you for more than half the year.
- **Support Test.** The person must not have provided more than half of his or her own support.
- **Special Test For Qualifying Child of More Than One Person.** If a parent and one or more taxpayers claim the same person as a qualifying child for a particular tax year, the person shall be treated as the qualifying child of the taxpayer who is:
 - The parent of the person, or
 - If none of the taxpayers is a parent, the taxpayer with the highest adjusted gross income for the taxable year.

If the parents do not file a joint income tax return together, their child shall be the qualifying child of:

- The parent with whom the child resided for the greater number of days during the taxable year, or
- If the child resides with both parents for the same number of days during the taxable year, the parent with the highest adjusted gross income.

Qualifying Person

You must have a qualifying person to qualify for head of household filing status. Your qualifying person must meet the requirements to be either a qualifying child or qualifying relative. You must also pay more than half the cost of keeping up your home in which you and the qualifying child or qualifying relative lived for more than half the year. You may not claim yourself, your spouse, or your tax preparer as your qualifying person.

Qualifying Relative

A qualifying relative is a person who meets all of the following tests:

- **Not a Qualifying Child Test.** Your qualifying person must not meet the requirements to be your qualifying child or the qualifying child of anyone else.
- **Relationship or Member of the Household Test.**¹ The person must be one of the relatives listed below. If at any time during the year the person was your spouse, the person cannot qualify as your dependent and you are not entitled to claim a dependent exemption credit for the person. Any of the relationships listed that were established when the taxpayer married, are not ended if the taxpayer divorces or his or her spouse dies.

A person who is not one of the relatives listed cannot qualify you for the head of household filing status. Under no circumstances shall the same person be used to qualify more than one taxpayer for the head of household filing status for the same year.

<u>Adopted child</u>	Brother-in-law
Brother	Uncle ²
<u>Parent</u>	Grandchild
Son-in-law	Half-sister
Father-in-law	Stepsister
Birth <u>child</u>	Sister-in-law
Sister	Aunt ²
Grandparent	<u>Stepchild</u>
Daughter-in-law	Stepfather
Mother-in-law	Stepmother
<u>Eligible foster child</u>	Nephew ³
Half-brother	Niece ³
Stepbrother	

¹ Any unrelated person who lived with you all year as a member of your household can qualify you for a dependent exemption credit as long as all the other requirements for the credit are met. However, such a person cannot qualify you for head of household filing status. A cousin is a descendent of a brother or sister of your parents and is not one of the relatives who can qualify you for head of household filing status.

² Any one of the relationships listed above that were established when the taxpayer married are not ended if the taxpayer divorces, or his or her spouse dies.

³ An uncle or aunt can qualify you only if he or she is the brother or sister of your father or mother.

- **Gross Income Test.** Generally, you may not take an exemption for a dependent if that person had gross income equal to or more than the federal allowable dependent exemption amount for that particular year. If your dependent filed a joint return with his or her spouse, you must consider your

dependent's community interest in the spouse's income in applying the gross income test. For the federal allowable exemption amount, see the federal instruction booklet for that particular tax year. For more information, get federal Publication 17, *Your Personal Income Tax* at www.irs.ustreas.gov.

- **Support Test.** You must provide more than half of a person's total support during the calendar year to meet the support test. To determine whether you have provided more than half the support, you must compare the amount you contributed for the person's support to the entire amount of support the person received from all sources. All sources include tax-exempt income such as social security benefits and Temporary Assistance for Needy Families (formerly Aid to Families with Dependent Children), and the person's own funds used for support. Your contribution may not include any part of the person's support that was paid by the person with the person's own wages, even if you paid the wages. The person's own funds are not support unless they are actually spent for support. Also, see Multiple Support Agreement. For more information, get federal Publication 501, *Exemptions, Standard Deduction, and Filing Information* at www.irs.ustreas.gov.

Spouse

A spouse is a married person, one's husband or wife by lawful marriage. Your spouse cannot be your qualifying person for head of household filing status.

Stepchild

A stepchild is not your natural child but is the natural or adopted child of your spouse. To have a stepchild, you must have at some time been married to the child's parent.

Support

To determine whether you have provided more than half the support for a person, you must compare the amount you contributed for the person's support to the entire amount of support the person received from all sources. All sources include tax-exempt income and the person's own funds. Your contribution may not include any part of the person's support that was paid by the person with the person's own wages, even if you paid the wages. The person's own funds are not support unless they are actually spent for support. Also, see Multiple Support Agreement and the Support Test under Qualifying Relative.

Temporary Absence

A temporary absence is due to illness, education, business, vacations, military service, and in some cases incarceration.

Even if you, your spouse, or your qualifying person was temporarily absent from your home, you are still considered to have occupied the same household.

For an absence to be temporary, it must have been reasonable to assume that you or your qualifying person would return to the household after the temporary absence, and you must have continued to maintain a household in anticipation of the return. Time your qualifying person was in the custody of another person under either a formal or informal custody agreement is not a temporary absence.

Unmarried

You were unmarried if one of the following applied on the last day of the year:

- You had never married.
- Your marriage was annulled and you did not marry after the annulment.
- Your spouse died in a prior year and you did not remarry.
- You were legally divorced from your spouse under a final decree of divorce. Neither a petition for divorce nor an interlocutory decree of divorce is the same as a final decree of divorce. Until the final decree of divorce is issued, a married taxpayer remains married.
- You were legally separated from your spouse under a final decree of legal separation. A petition for legal separation, or an informal separation agreement is not the same as a final decree of legal separation. Also, just living apart from your spouse is not the same as being legally separated under a final decree of legal separation.

Note: If your spouse was a nonresident alien at any time during the year, you are unmarried for head of household purposes. If you are unmarried, a wider range of relatives can qualify you for head of household filing status. However,

if you chose to treat your nonresident alien spouse as a resident alien, you remain married for head of household purposes. Then, only your child can qualify you for the filing status. You are considered to have chosen to treat your nonresident alien spouse as a resident alien if you filed a joint return with your nonresident alien spouse in a previous year and you have not revoked that choice by the extended due date for filing the return at issue. For more information, get IRS Publication 519, *U.S. Tax Guide for Aliens* at www.irs.ustreas.gov.

Widow or Widower

The date of your spouse's death determines whether you were married or unmarried for tax purposes. If your spouse died during the year, you are considered as married at the end of the year, unless your spouse was a nonresident alien spouse at some time during the year.

If your spouse died in a prior year and you have not remarried, you were unmarried. However, if your spouse died in 2004 or 2005 and you did not remarry in 2006, you may be able to file as a qualifying widow(er) if you have a child whom you can claim as a dependent. The qualifying widow(er) filing status is generally more favorable than the head of household status. For more information, get IRS Publication 501, *Exemptions, Standard Deduction, and Filing Information* at www.irs.ustreas.gov.

ASSISTANCE

From within the United States, call (800) 852-5711
From outside the United States, call (not toll-free) (916) 845-6500
Website www.ftb.ca.gov

Assistance for persons with disabilities: We comply with the Americans with Disabilities Act. Persons with hearing or speech impairments please call: TTY/TDD (800) 822-6268.

ASISTENCIA EN ESPAÑOL

Dentro de los Estados Unidos llame al (800) 852-5711 (número gratuito)
Fuera de los Estados Unidos llame al (916) 845-6500 (este número no es gratuito)

Asistencia para personas discapacitadas: Nosotros estamos en conformidad con el Acta de Americanos Discapacitados. Personas con problemas auditivos pueden llamar al TTY/TTD (800) 822-6268.

Some Common Questions About Head of Household Status

Here are some questions that taxpayers have asked about whether they can qualify for head of household filing status and the answers to those questions. Remember to read the definitions of all of the underlined terms. The definitions start on page 6.

Question: I was married at the end of the year. Can someone other than my child qualify me for head of household filing status?

Answer: No. Because you were married, you must meet certain requirements to be considered unmarried. One of those requirements is that only your birth child, stepchild, adopted child, or an eligible foster child, who lived with you for more than half the year, can qualify you for head of household filing status.

Question: Can I qualify for head of household filing status if the person I think qualifies me did not live with me during the year?

Answer: In general, your home must have been the main home for you and your qualifying person for more than half the year. But if you are unmarried and your parent (father or mother) is your qualifying person, your parent does not have to live with you for you to qualify. Also, if your qualifying person did not live with you because of a temporary absence, you may still qualify.

Question: I was married at the end of the year. Can I qualify for head of household filing status if I lived with my spouse during a part of the last six months of the year?

Answer: No. Because you were married, you must meet certain requirements to be considered unmarried for head of household purposes. One of those requirements is that you and your spouse must not have lived together at any time during the last six months of the year. If you and your spouse lived together during the last six months of the year, you cannot be considered unmarried and cannot qualify for head of household filing status.

Question: Can I qualify for the head of household filing status even though the person I think qualifies me for the status is not my relative?

Answer: Generally, no. Only certain relatives can qualify you for the head of household filing status. Please note however, that an eligible foster child who is placed in your home by an authorized placement agency or a court, and for whom you are entitled to claim a dependent exemption credit, can also qualify you for head of household filing status.