

How to prepare state Defense of Marriage Act returns in TaxWise

To prepare returns that include states not conforming to the Defense of Marriage Act (DOMA), use the What If? feature in TaxWise.

Preparing the joint federal return

Prepare the federal joint return for taxpayers falling under DOMA regulations just as you would prepare a standard married filing jointly return.

Start and complete the return, including all forms you normally complete for the client, such as Form W-2, Form 2441, etc.

Electronically file or print the federal return without the state.

Preparing a state return for the taxpayer

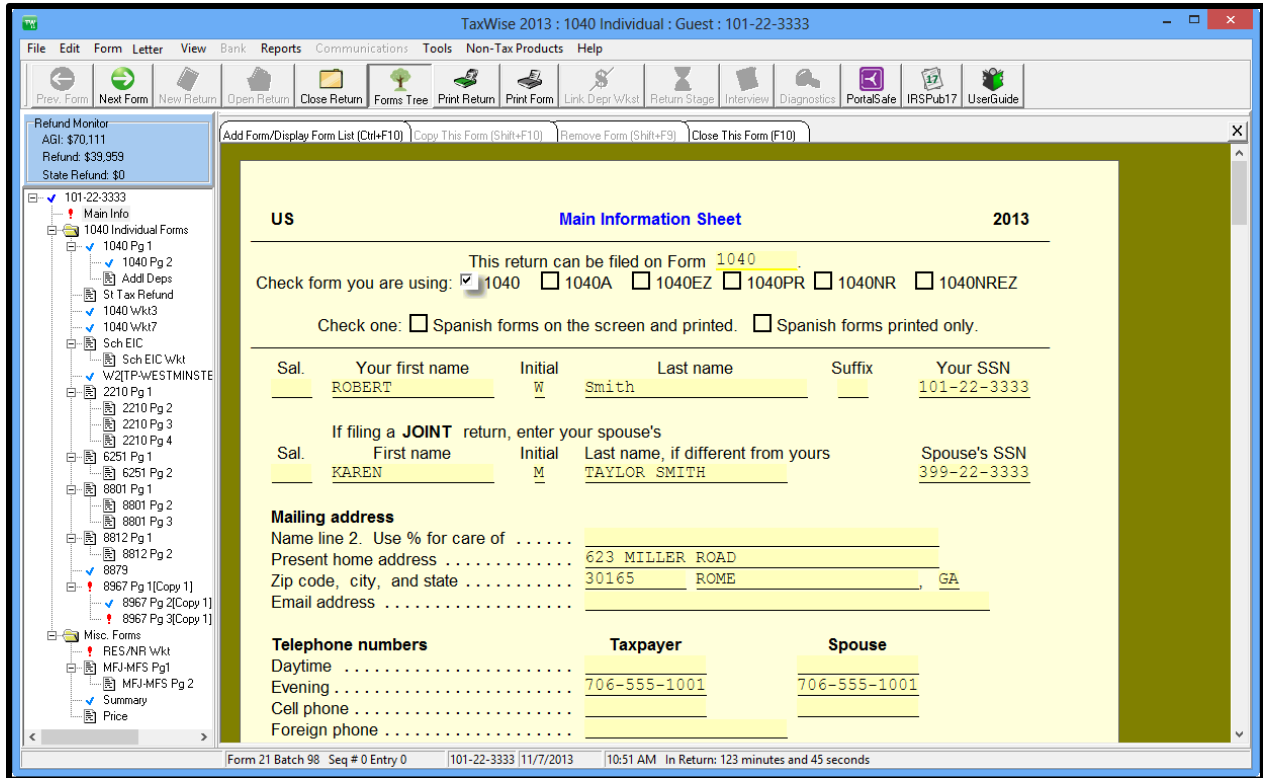
Before you begin the state return, verify the state laws directly from the state.

To prepare a state return for the individual listed as the taxpayer on the federal return, use the following steps:

1. With the completed federal return open, on the **File** menu, click “What IF? Mode”.

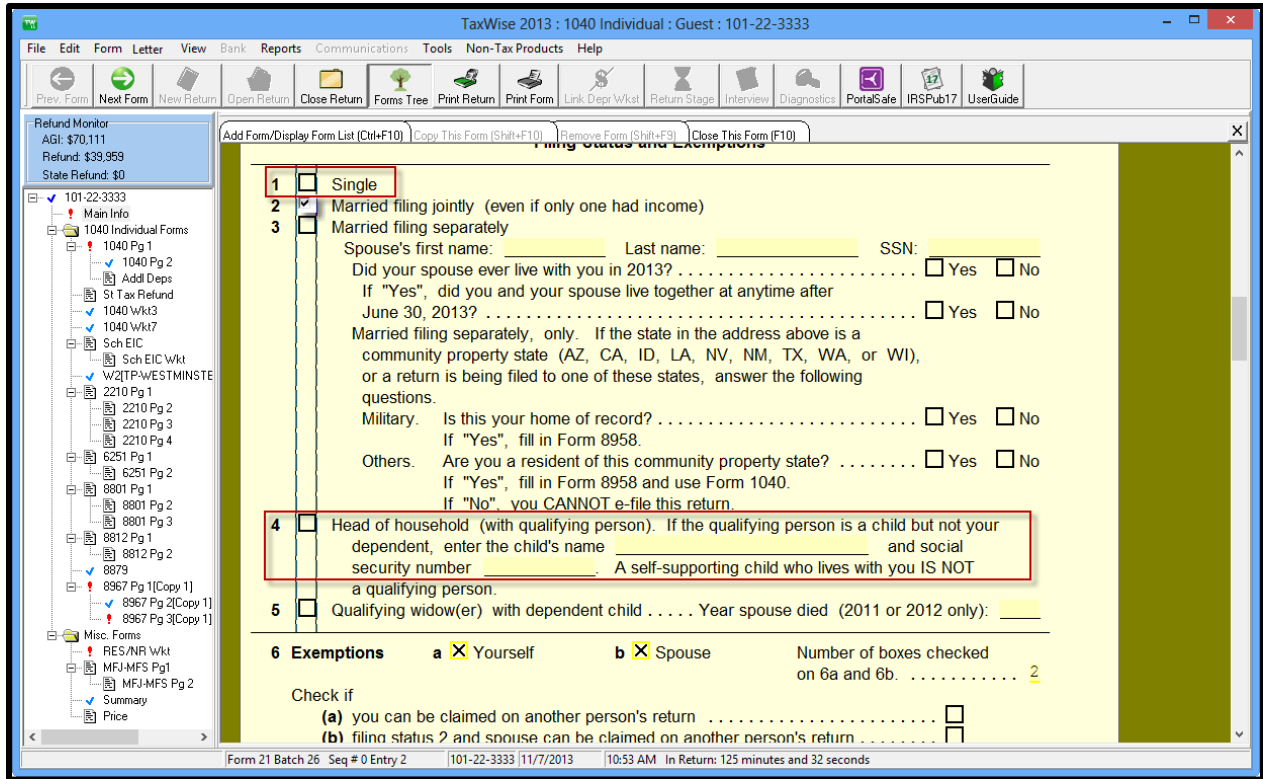
The screenshot shows the TaxWise 2013 software interface. The title bar reads "TaxWise 2013 : 1040 Individual : Gue". The menu bar includes File, Edit, Form, Letter, View, Bank, Reports, Communications, Tools, Non-Tax Products, and Help. The File menu is open, showing options such as Start a New Return (Ctrl+N), Open Return (Ctrl+O), Open Return By SSN/EIN (Ctrl+Y), Close Return, Save Return (F2), Apply For ITIN (Ctrl+I), Return Versions, Import, "What If?" Mode (highlighted), "What If?" Scenarios, Split MFJ Return, Tax Interview, Change User (Ctrl+U), Change Package, and Search/Query for Taxpayer... (Ctrl+Q). The main window displays the "Main Information Sheet" for the year 2013. It shows the taxpayer's name as ROBERT W. SMITH with SSN 101-22-3333. The form type is set to 1040. The spouse's information is listed as KAREN M. TAYLOR SMITH with SSN 399-22-3333. The mailing address is 623 MILLER ROAD.

TaxWise displays a copy of the tax return with an olive green background:



2. Remove all information for the client you listed as the spouse on the original federal return. This could include the following information:
 - a. Name
 - b. Social Security number
 - c. Date of birth
 - d. Supporting forms (Form W-2)

- Change the filing status on the Main Information Sheet to **Single**, or, if the taxpayer qualifies, to **Head of household**.

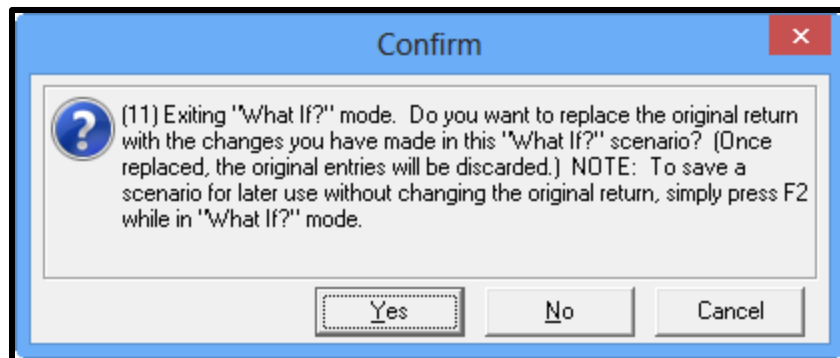


- Verify that you removed all *spouse* information.
- Print the return and mail it to the state.

Note: You cannot electronically file these state returns.

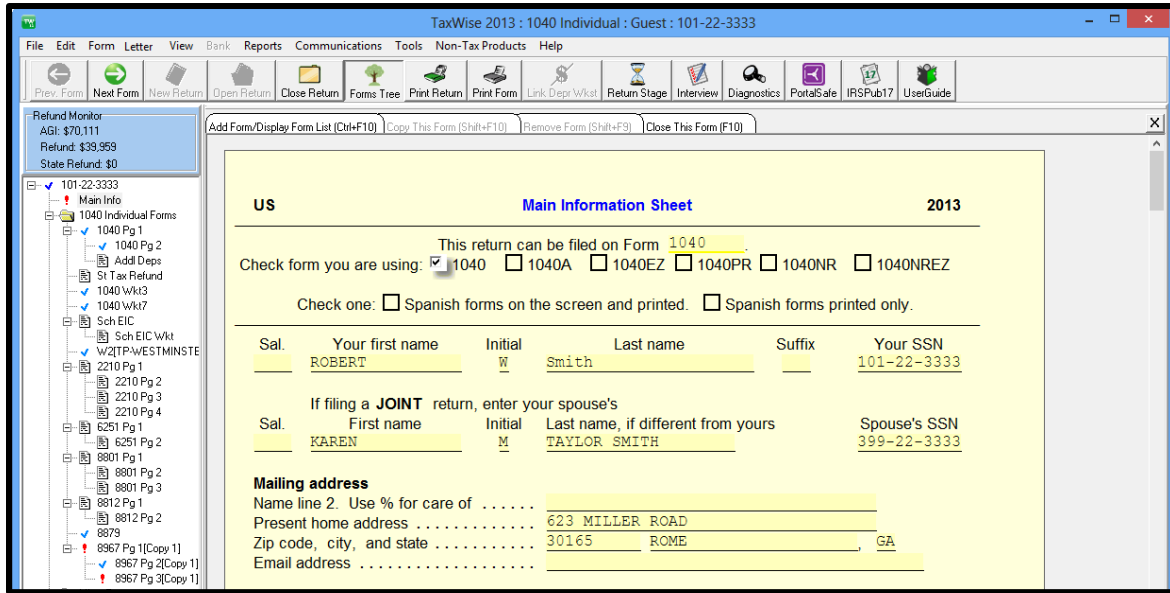
- Press F2 to save the return scenario.
- On the **File** menu, click **“What If?” Mode**.

TaxWise displays the **Confirm** dialog box:



- Click **No**.

TaxWise exits What IF? Mode and displays the original return:



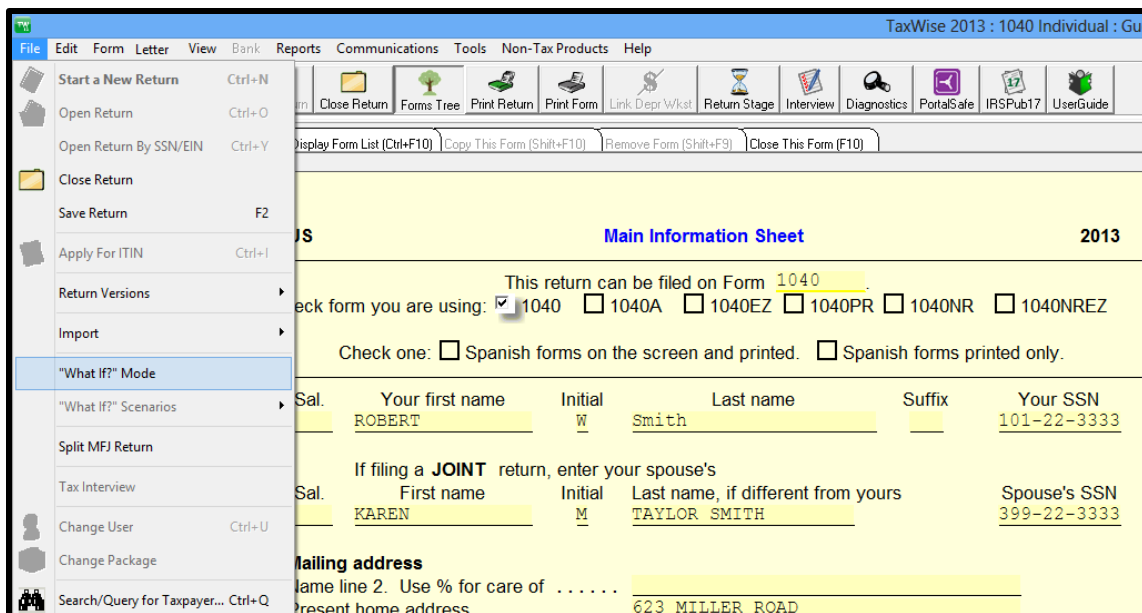
Note: Make sure you click **No** to return to the original return. If you do not, TaxWise overwrites the original return with these changes.

Preparing a state return for the spouse

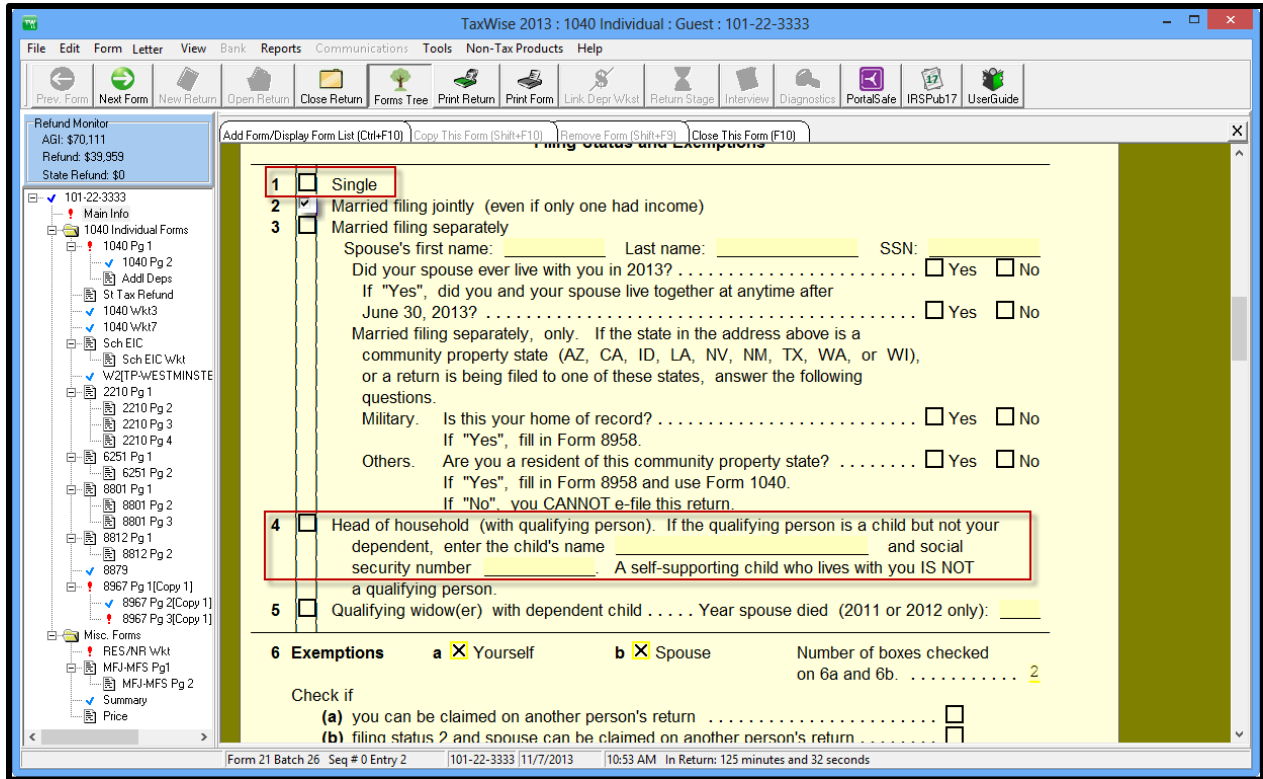
Before you begin the state return, verify the state laws directly from the state.

To prepare a state return for the individual listed as the spouse on the federal return, use the following steps:

1. With the completed federal return open, on the **File** menu, click **“What IF? Mode”**.

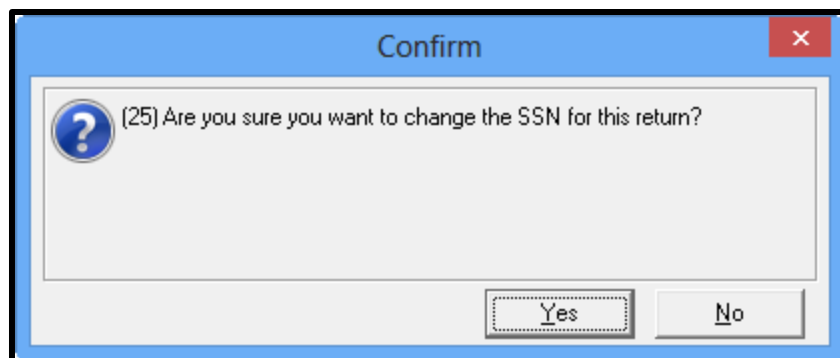


TaxWise displays a copy of the tax return with an olive green background.



2. Remove all information for the client you listed as the taxpayer on the original federal return. This could include the following information:
 - a. Name
 - b. Social Security number
 - c. Date of birth
 - d. Supporting forms (Form W-2)
3. Move all information for the client you listed as the spouse on the original federal return to the boxes for taxpayer. This includes the information you removed for the original taxpayer.

When you change the Social Security number on the Main Information Sheet, TaxWise displays a **Confirm** dialog box to verify that you want to change the Social Security number on the return:



- Change the filing status on the Main Information Sheet to **Single**, or, if the taxpayer qualifies, to **Head of household**.

TaxWise 2013 : 1040 Individual : Guest : 101-22-3333

File Edit Form Letter View Bank Reports Communications Tools Non-Tax Products Help

Prev Form Next Form New Return Open Return Close Return Forms Tree Print Return Print Form Link Depr/Wkt Return Stage Interview Diagnostics PortalSafe IRS Pub17 UserGuide

Refund Monitor
AGI: \$70,111
Refund: \$39,969
State Refund: \$0

101-22-3333
Main Info
1040 Individual Forms
1040 Pg 1
1040 Pg 2
Add Deps
St Tax Refund
1040 wkt3
1040 wkt7
Sch EIC
Sch EIC Wkt
w2TP-WESTMINSTE
2210 Pg 1
2210 Pg 2
2210 Pg 3
2210 Pg 4
6251 Pg 1
6251 Pg 2
8801 Pg 1
8801 Pg 2
8801 Pg 3
8812 Pg 1
8812 Pg 2
8879
8967 Pg 1 [Copy 1]
8967 Pg 2 [Copy 1]
8967 Pg 3 [Copy 1]
Misc. Forms
RES/NR Wkt
MFJ-MFS Pg 1
MFJ-MFS Pg 2
Summary
Price

Add Form/Display Form List (Ctrl+F10) Copy This Form (Shift+F10) Remove Form (Shift+F9) Close This Form (F10)

Filing Status and Exemptions

1 Single

2 Married filing jointly (even if only one had income)

3 Married filing separately
Spouse's first name: _____ Last name: _____ SSN: _____
Did your spouse ever live with you in 2013? Yes No
If "Yes", did you and your spouse live together at anytime after June 30, 2013? Yes No
Married filing separately, only. If the state in the address above is a community property state (AZ, CA, ID, LA, NV, NM, TX, WA, or WI), or a return is being filed to one of these states, answer the following questions.
Military. Is this your home of record? Yes No
If "Yes", fill in Form 8958.
Others. Are you a resident of this community property state? Yes No
If "Yes", fill in Form 8958 and use Form 1040.
If "No", you CANNOT e-file this return.

4 Head of household (with qualifying person). If the qualifying person is a child but not your dependent, enter the child's name _____ and social security number _____. A self-supporting child who lives with you IS NOT a qualifying person.

5 Qualifying widow(er) with dependent child Year spouse died (2011 or 2012 only): _____

6 Exemptions a Yourself b Spouse Number of boxes checked on 6a and 6b. 2

Check if
(a) you can be claimed on another person's return
(b) filing status 2 and spouse can be claimed on another person's return

Form 21 Batch 26 Seq # 0 Entry 2 | 101-22-3333 | 11/7/2013 | 10:53 AM | In Return: 125 minutes and 32 seconds

- Verify that you removed all *taxpayer* information.
- Print the return and mail it to the state.

Note: You cannot electronically file these state returns.

- Press F2 to save the return scenario.
- On the **File** menu, click **"What If?" Mode**.

TaxWise displays the **Confirm** dialog box:

Confirm

(11) Exiting "What If?" mode. Do you want to replace the original return with the changes you have made in this "What If?" scenario? (Once replaced, the original entries will be discarded.) NOTE: To save a scenario for later use without changing the original return, simply press F2 while in "What If?" mode.

Yes No Cancel

9. Click **No**.

TaxWise exits What If? Mode and displays the original return:

The screenshot shows the TaxWise 2013 software interface. The title bar reads "TaxWise 2013 : 1040 Individual : Guest : 101-22-3333". The menu bar includes File, Edit, Form, Letter, View, Bank, Reports, Communications, Tools, Non-Tax Products, and Help. The toolbar contains icons for Prev. Form, Next Form, New Return, Open Return, Close Return, Forms Tree, Print Return, Print Form, Link Dep't Wkst, Return Stage, Interview, Diagnostics, PortalSafe, IRSPub17, and UserGuide. The left-hand pane shows a tree view of the return components, including 101-22-3333, 1040 Individual Forms, and various schedules and forms. The main area displays the "Main Information Sheet" for a 2013 US return. The sheet includes the following information:

US Main Information Sheet 2013

This return can be filed on Form 1040.

Check form you are using: 1040 1040A 1040EZ 1040PR 1040NR 1040NREZ

Check one: Spanish forms on the screen and printed. Spanish forms printed only.

Sal.	Your first name	Initial	Last name	Suffix	Your SSN
	ROBERT	W	Smith		101-22-3333

If filing a **JOINT** return, enter your spouse's

Sal.	First name	Initial	Last name, if different from yours	Spouse's SSN
	KAREN	M	TAYLOR SMITH	399-22-3333

Mailing address

Name line 2. Use % for care of
Present home address 623 MILLER ROAD
Zip code, city, and state 30165 ROME, GA
Email address

Note: Make sure you click **No** to return to the original return. If you do not, TaxWise overwrites the original return with these changes.