

What You Need to Know About Alimony

Alimony, or spousal support is a court ordered payment from the spouse who earns the highest income to the other spouse. Alimony laws exist to help a spouse ease into life after divorce; it prevents the person from having to drastically lower his or her standard of living after a divorce. Financial situations in which both couples are employed usually do not merit spousal support payment.

When presiding over a divorce settlement and deciding whether to issue a court order for alimony, the judge will consider several factors such as the length of the marriage, the economical dependence of one spouse on the other, their respective ages and how well they conduct themselves in court.

One important piece of divorce information regarding alimony is that it qualifies as a tax deduction to the spouse who pays it, while the person who receives alimony must pay taxes on it. Child support, on the other hand, is neither tax deductible to the person who pays it nor is it taxable to the person who receives it.

If it would result in a tax advantage for both parties, it may be sound divorce advice to consider paying alimony regardless of what the judge would rule. That's one way of keeping a divorce low cost. As a result, coping with divorce can be much easier for everyone.

When making decisions about how to get a divorce or when looking into divorce support, keep your tax goals in mind. If you consult with a professional for divorce help, be sure that the attorney or financial advisor considers both your present financial situation and your long-term tax goals.

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