



Financially Speaking...

by Michael L Nickerson, CPA, MSFP
NICKERSON PROFESSIONAL ASSOCIATION
CERTIFIED PUBLIC ACCOUNTANTS

HOW A NAME CHANGE AFFECTS A TAX RETURN

When someone legally changes their name, there are tax consequences they need to know about, especially at tax time. People change their names for several reasons:

- taking their spouse's last name after a marriage
- hyphenating their last name with their spouse's after getting married
- going back to their former name after a divorce
- giving an adopted child the last name of their new family

The IRS wants people experiencing a name change to remember these important things:

Reporting change to SSA. Taxpayers should notify the Social Security Administration of a name change ASAP. When a taxpayer files their taxes, the IRS checks SSA records to ensure names and social security numbers on the forms match.

Failing to report a name change. If a name on a taxpayer's tax return doesn't match SSA records, it can delay the IRS processing of that return. In that case, if the taxpayer is due a refund, it will take longer for them to get their money.

Name Change Due to Adoption. In the case of an adoption, if the child has a Social Security number, the taxpayer should be sure to inform the SSA of a name change. If the child does not have a Social Security number, the taxpayer may use an Adoption Taxpayer Identification Number on their tax return. An ATIN is a temporary number. Taxpayers can apply for an ATIN by filing Form W-7A, Application for Taxpayer Identification Number for Pending U.S. Adoptions. Taxpayers file this form with the IRS.

Getting a New SS Card. After a name change, a taxpayer should get a new Social Security card that will reflect the name change.

Presented as a service by Nickerson Professional Association
Lincolnvile Ave., P.O. Box 211, Belfast, ME 04915
(207) 338-2770 • www.nickersonpa.com