



Turbocharging Verification: Different Ways to Approach the Tax Return Split

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2025-2026 Federal Student Aid Handbook

Application and Verification Guide
Chapter 4 – Verification, Updates, and Corrections
Unique Situations and Exceptions

When a student, or parents of a dependent student, filed a joint return and have separated, divorced, married someone else, or been widowed, the student must submit the following:

- A transcript obtained from the IRS or other relevant tax authority that lists 2023 tax account information of the tax filer(s); **or**
- A copy of the income tax return and the applicable schedules that were filed with the IRS or other relevant tax authority that lists 2023 tax account information of the tax filer(s); **and**
- A copy of IRS Form W-2 for each source of 2023 employment income received or an equivalent document.



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Splitting Documentation Needed

- A copy of the Joint 2023 Federal 1040 **or** a 2023 Tax Return Transcript from the IRS (<https://www.irs.gov/individuals/get-transcript>)
- A copy of the 2023 W2s or a 2023 Wage and Income Transcript from the IRS
- Widowed
 - A copy of the deceased's death certificate
- Divorced
 - A copy of the divorce decree
- Separated
 - A legal separation agreement **OR**
 - A copy of the divorce decree if finalized **OR**
 - A copy of the individual lease or mortgage statement for **both** separated individuals showing separate residences **OR**
 - A copy of **both** separated individuals current utility bill (gas, water, or electric **only**) showing separate residences



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2023 Joint Tax Return



This product contains Sensitive Taxpayer Data
Request Data: Response Date: Tracking Number: Tax Return Transcript

The following items reflect the amount as shown on the return (IRS), and the amount as adjusted (AG), if applicable. They do not show subsequent activity on the account.

MARITAL STATUS:	Single
CYCLE BEGINS:	20181010
CYCLE ENDS:	20231010
TAX YEAR:	2023
INCOME:	14,500
TOTAL TAX:	1,500
TOTAL REFUND:	0
TOTAL CREDIT:	0
TOTAL PAYMENTS:	0
TOTAL DEBIT:	0
TOTAL BALANCE:	1,500
TOTAL DEDUCTIONS:	14,500
TOTAL INCOME:	14,500
TOTAL EXPENSES:	14,500
TOTAL NET:	0
TOTAL ASSETS:	0
TOTAL LIABILITIES:	0
TOTAL EQUITY:	0
TOTAL CREDIT:	0
TOTAL DEBIT:	0
TOTAL BALANCE:	1,500
TOTAL DEDUCTIONS:	14,500
TOTAL INCOME:	14,500
TOTAL EXPENSES:	14,500
TOTAL NET:	0
TOTAL ASSETS:	0
TOTAL LIABILITIES:	0
TOTAL EQUITY:	0
TOTAL CREDIT:	0
TOTAL DEBIT:	0
TOTAL BALANCE:	1,500

1040 U.S. Individual Income Tax Return **2023**

For the year Jan. 1, Dec. 31, 2023, or other year beginning Jan. 1, 2023

1040-100

Part I	Adjusted Gross Income	14,500
1	Wages, salaries, tips, etc.	14,500
2	Dividends and interest	0
3	Capital gains or loss	0
4	Rental real estate	0
5	Other income or loss	0
6	Other deductions	0
7	Adjusted gross income	14,500

Part II	Standard Deduction	14,500
8	Standard deduction	14,500
9	Adjusted gross income	0

Part III	Taxable Income	0
10	Taxable income	0
11	Estimated tax liability	0
12	Estimated tax payments	0
13	Other payments	0
14	Tax liability	0
15	Refund	0
16	Tax liability after refund	0
17	Other payments	0
18	Other deductions	0
19	Other income	0
20	Other expenses	0
21	Other assets	0
22	Other liabilities	0
23	Other equity	0
24	Other net worth	0



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2023 W2 Information



This product contains sensitive taxpayer data

Request Date: _____
Response Date: _____
Tracking Number: _____

SSN Provided: _____
Tax Period Requested: _____

Form W-2 Wage and Tax Statement

Employer:
Employer Identification Number (EIN):
Name:
PO BOX:
City:
State:
ZIP Code:

Employee:
Employee's social security number:
Name:
Address:
City:
State:
ZIP Code:

Submission Type:Original document
Wages, tips and other compensation:\$0.00
Federal income tax withheld:\$0.00
Social Security wages:\$0.00
Social Security tax withheld:\$0.00
Medicare wages and tips:\$0.00
Medicare tax withheld:\$0.00
Social Security tips:\$0.00
Allocated tips:\$0.00
Dependent care benefits:\$0.00
Deferred compensation:\$0.00
Code *G* Nonexcess Combat Pay:\$0.00
Code *Y* Employer contributions to a Health Savings Account:\$0.00
Code *2* Income under section 409A on a nonqualified deferred compensation plan:\$0.00
Code *3* Income under section 409A on a qualified deferred compensation plan:\$0.00
Code *4* Employer's contribution to HSA:\$0.00
Code *5* Employer's contribution to HRA:\$0.00
Code *6* Expense incurred for qualified adoptions:\$0.00
Code *7* Income from exercise of non-statutory stock options:\$0.00
Code *8* Designated Roth Contributions under a Section 401(a) Plan:\$0.00
Code *9* Designated Roth Contributions under a Section 408(a) Plan:\$0.00
Code *10* Cost of Employer-Sponsored Health Coverage:\$0.00
Code *11* Designated Roth Contributions Under a governmental Section 457(b) Plan:\$0.00
Code *12* Permitted benefits under a qualified small employer health reimbursement arrangement:\$0.00
Code *13* Income from qualified equity grants under Section 83(b):\$0.00
Code *14* Aggregate Deferrals Under Section 811) elections as of the Close of the Calendar Year:\$0.00
Code *15* Third Party sick pay indicator:unanswered

2222		Employer's social security number	OMB No. 1545-0008
b Employer identification number (EIN)		1 Wages, tips, other compensation	2 Federal income tax withheld
c Employer's name, address, and ZIP code		3 Social security wages	4 Social security tax withheld
		5 Medicare wages and tips	6 Medicare tax withheld
		7 Social security tips	8 Allocated tips
d Control number	9	10 Dependent care benefits	
e Employer's first name and initial		Last name	Suff.
		11 Nonqualified plans	12a
		13 Health insurance	12b
		14 Other	12c
			12d
f Employer's address and ZIP code		15 State	16 State wages, tips, etc.
		17 State income tax	18 Local wages, tips, etc.
		19 Local income tax	20 Locality name

Form **W-2** Wage and Tax Statement **2023** Department of the Treasury—Internal Revenue Service
Copy 1—For State, City, or Local Tax Department



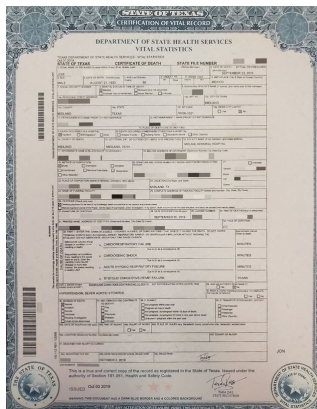
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Proof of Separation

Name: _____
Address: _____
Phone: _____

IN THE OF _____ JUDICIAL DISTRICT COURT
COUNTY, STATE OF UTAH

Plaintiff, _____
vs. _____
Case No. _____
Respondent, _____
Judge: _____



State of _____, File: 1348802

LEASE AGREEMENT

This Lease Agreement ("Agreement") is made this _____ day of _____, 20____, by and between:

Lessor: _____ ("Lessor") AND
Tenant(s): _____ ("Tenant")

In the event there is more than one Tenant, each reference to "Tenant" shall apply to each of them, jointly and severally. Each Tenant shall remain liable to perform the agreed-upon lease and performance obligations with all other terms of this Agreement, even if Lessor and Tenant may be referred to as "Party" and collectively as the "Parties."

1. **PREMISES.** The premises leased is an apartment located at _____ (streethouse/condo) _____ (unit) _____ (apartment) _____ (parking space). (Parking is not included with the Premises.)

Number of the "Premises": _____ City of _____ State of _____

2. **THE PREMISES INCLUDES THE FOLLOWING STORAGE SPACE:**

Storage: _____ (check one)
 The Premises is fully furnished.
 The Premises is not fully furnished.

Additional description of the premises: _____

3. **AGREEMENT TO LEASE.** Lessor and Tenant agree to lease to Tenant and Tenant agrees to lease from Lessor, according to the terms and conditions set forth herein, the Premises.

4. **TERM.** This Agreement shall be considered a month-to-month lease, and shall be renewed on _____ day of _____, 20____, and ending on _____ day of _____, 20____. At the end of the Term, this Agreement shall be renewed for another month-to-month lease, unless either party provides written notice to the other party at least 30 days before the end of the Term. If either party provides written notice to the other party at least 30 days before the end of the Term, this Agreement shall be renewed for another month-to-month lease, unless either party provides written notice to the other party at least 30 days before the end of the Term.

EVERSOURCE	Total Account Due	\$100.48
Account Number: 0000 000 0000	Minimum Payment	\$10.00
Payment Due: 03/01/2025	Estimated Balance	\$100.48
Payment Method: 0000 000 0000	Service Charge	\$0.00
Payment Reference: 0000 000 0000	Interest Charge	\$0.00
Payment Due Date: 03/01/2025	Other Charges	\$0.00
Payment Due Time: 03/01/2025	Other Fees	\$0.00
Payment Due Location: 0000 000 0000	Other Charges	\$0.00
Payment Due Address: 0000 000 0000	Other Fees	\$0.00
Payment Due City: 0000 000 0000	Other Charges	\$0.00
Payment Due State: 0000 000 0000	Other Fees	\$0.00
Payment Due ZIP: 0000 000 0000	Other Charges	\$0.00
Payment Due Country: 0000 000 0000	Other Fees	\$0.00
Payment Due Phone: 0000 000 0000	Other Charges	\$0.00
Payment Due Email: 0000 000 0000	Other Fees	\$0.00
Payment Due Fax: 0000 000 0000	Other Charges	\$0.00
Payment Due Fallback: 0000 000 0000	Other Fees	\$0.00
Payment Due Billing Cycle: 0000 000 0000	Other Charges	\$0.00
Payment Due Billing Method: 0000 000 0000	Other Fees	\$0.00
Payment Due Billing Frequency: 0000 000 0000	Other Charges	\$0.00
Payment Due Billing Date: 0000 000 0000	Other Fees	\$0.00
Payment Due Billing Time: 0000 000 0000	Other Charges	\$0.00
Payment Due Billing Location: 0000 000 0000	Other Fees	\$0.00
Payment Due Billing Address: 0000 000 0000	Other Charges	\$0.00
Payment Due Billing City: 0000 000 0000	Other Fees	\$0.00
Payment Due Billing State: 0000 000 0000	Other Charges	\$0.00
Payment Due Billing ZIP: 0000 000 0000	Other Fees	\$0.00
Payment Due Billing Country: 0000 000 0000	Other Charges	\$0.00
Payment Due Billing Phone: 0000 000 0000	Other Fees	\$0.00
Payment Due Billing Email: 0000 000 0000	Other Charges	\$0.00
Payment Due Billing Fax: 0000 000 0000	Other Fees	\$0.00
Payment Due Billing Fallback: 0000 000 0000	Other Charges	\$0.00
Payment Due Billing Billing Cycle: 0000 000 0000	Other Fees	\$0.00
Payment Due Billing Billing Method: 0000 000 0000	Other Charges	\$0.00
Payment Due Billing Billing Frequency: 0000 000 0000	Other Fees	\$0.00
Payment Due Billing Billing Date: 0000 000 0000	Other Charges	\$0.00
Payment Due Billing Billing Time: 0000 000 0000	Other Fees	\$0.00
Payment Due Billing Billing Location: 0000 000 0000	Other Charges	\$0.00
Payment Due Billing Billing Address: 0000 000 0000	Other Fees	\$0.00
Payment Due Billing Billing City: 0000 000 0000	Other Charges	\$0.00
Payment Due Billing Billing State: 0000 000 0000	Other Fees	\$0.00
Payment Due Billing Billing ZIP: 0000 000 0000	Other Charges	\$0.00
Payment Due Billing Billing Country: 0000 000 0000	Other Fees	\$0.00
Payment Due Billing Billing Phone: 0000 000 0000	Other Charges	\$0.00
Payment Due Billing Billing Email: 0000 000 0000	Other Fees	\$0.00
Payment Due Billing Billing Fax: 0000 000 0000	Other Charges	\$0.00
Payment Due Billing Billing Fallback: 0000 000 0000	Other Fees	\$0.00
Payment Due Billing Billing Billing Cycle: 0000 000 0000	Other Charges	\$0.00
Payment Due Billing Billing Billing Method: 0000 000 0000	Other Fees	\$0.00
Payment Due Billing Billing Billing Frequency: 0000 000 0000	Other Charges	\$0.00
Payment Due Billing Billing Billing Date: 0000 000 0000	Other Fees	\$0.00
Payment Due Billing Billing Billing Time: 0000 000 0000	Other Charges	\$0.00
Payment Due Billing Billing Billing Location: 0000 000 0000	Other Fees	\$0.00
Payment Due Billing Billing Billing Address: 0000 000 0000	Other Charges	\$0.00
Payment Due Billing Billing Billing City: 0000 000 0000	Other Fees	\$0.00
Payment Due Billing Billing Billing State: 0000 000 0000	Other Charges	\$0.00
Payment Due Billing Billing Billing ZIP: 0000 000 0000	Other Fees	\$0.00
Payment Due Billing Billing Billing Country: 0000 000 0000	Other Charges	\$0.00
Payment Due Billing Billing Billing Phone: 0000 000 0000	Other Fees	\$0.00
Payment Due Billing Billing Billing Email: 0000 000 0000	Other Charges	\$0.00
Payment Due Billing Billing Billing Fax: 0000 000 0000	Other Fees	\$0.00
Payment Due Billing Billing Billing Fallback: 0000 000 0000	Other Charges	\$0.00



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Proportional Distribution Method

To use the proportional distribution method, the aid administrator needs to figure out what percentage of the joint AGI represents the student's income.

Example:

A student filed a joint return with their spouse in 2023 but have now separated, divorced, married someone else, or been widowed.

The AGI on the student's FAFSA matches the AGI of \$56,500 on the 2023 tax return, which means it is incorrect because it includes the student's former spouse's income.

The student's W-2 shows that their income for 2023 was \$25,900 and the tax return shows \$400 in interest.

Because the interest was on a joint savings account, \$200 of it will be added to the student's income, totaling \$26,100.

To use the proportional distribution method, divide the **calculated** AGI of \$26,100 by the **combined** AGI of \$56,500.

- o $26,100 \div 56,500 = .4619$ (46%).
- o The aid administrator then multiplies the income tax paid as reported on the tax return (\$3,019 for this example) by this percentage.
- o The student's income tax using this method is \$1,394 (.4619 x \$3,019).
- o If there are education credits on the tax return, this amount can also be calculated using the .4619 (46%).

Any interest, business income earned on joint accounts, investments, business or farm profits or losses should be assessed at 50%.



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Student Name: _____
 Student ID Number: _____

2025-2026 Verification	Student	Student Spouse	Parent	Parent Spouse	Totals
Filing Status					
Income Earned from Work Line 1z plus Schedule 1: Lines 3 + 6					
Adjusted Gross Income (AGI) - Line 11					
Tax-exempt Interest Income - Line 2a					
Income Tax paid - Line 24					
Untaxed Portions of IRA distributions (excluding rollovers) - Line 4a minus 4b					
Untaxed Portions of Pensions (excluding rollovers) - Lines 5a minus 5b					
Deductible Payments to IRA/Keogh/Other Schedule 1: Lines 16 + 20					
Education Credits Schedule 3: Line 3 - 1040 Line 29					
Foreign Earned Income Exclusion Schedule 1: Line 8d					
Net Profit or Loss from Schedule C Schedule C: Line 31					
Family Size					
Number in College					

2025-2026 Splitting Joint Taxes	Student	Student Spouse	Parent	Parent Spouse	Totals
Earned Income - W-2 Box 1	\$25,900.00	\$30,600.00			\$56,500.00
Taxable Interest (split 50/50)	\$200.00	\$200.00			\$400.00
Additional Income - Losses (split 50/50)	\$0.00	\$0.00			
Calculated AGI	\$26,100.00	\$30,800.00			
divided by Combined AGI	=				
					0.4619
Income Tax paid - Line 24	\$3,019.00				
	X				0.4619
					\$1,394.48
Education Credits					\$0.00
Schedule 3: Line 3 - 1040 Line 29	X	0.4619			
	=	\$0.00			



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Tax Table Method

The Tax Table Method used by the institution uses the IRS Tax Table for the appropriate year to calculate the amount of tax that would have been paid if a separate return had been filed using the Single, Head of Household, or Widowed tax filing status

Example:

The student filed joint return with their spouse in 2023 but have now divorced.

The AGI on the student's FAFSA matches the AGI of \$56,500 on the 2023 tax return, which means it's wrong because it includes the student's former spouse's income.

The student's W-2 shows that their income for 2023 was \$25,900, and the tax return shows \$400 in interest.

Because it was interest on a joint savings account, the aid administrator adds \$200 of it to the student's income and submits \$26,100 as the corrected income.

- The aid administrator then determines that if the student had filed their tax return as single in 2023, their standard deduction would have been \$13,850 (instead of \$27,700 for married filers).
- The student's income of \$26,100 minus \$13,850 for the standard deduction results in \$12,250 in taxable income.
- The aid administrator uses the 2023 tax table to determine how much tax the student would have paid on this amount, considering any applicable credits reported on the original return.
- With a taxable income of \$12,250, the tax amount from the tax schedule is \$1,253.



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2025-26 Splitting Wages from Jointly Filed Tax Return

Student University ID: _____
 Student Name: _____
 Documents Required: Parent IVF, signed 1040 with schedules or return transcript, individual's W-2, if individual is self-employed can accept Schedule C, proof of separation/divorce.

Parent:

	Amounts	Source docs:
Original AGI	\$ 56,500.00	Joint filed 1040, line 11
Earned Income	\$ 25,900.00	W-2 box 1
Other joint income items	\$ -	Any other income items not shown on 1040
Taxable Interest	\$ 200.00	1040 line 2b
Ordinary dividends	\$ -	1040 line 3b
Taxable IRA distributions	\$ -	1040 line 4b
Taxable Pensions/annuities	\$ -	1040 line 5b
Capital Gains/Loss	\$ -	1040 line 7
Schedule 1 income	\$ -	1040 line 8
Adjustments to Income	\$ -	1040 line 10
Revised AGI	\$ 26,000.00	Calculated Cell
Standard deduction	\$ 13,850.00	Single
Taxable Income	\$ 12,150.00	Calculated Cell
Original Edu Credit	\$ -	1040 schedule 3, line 3
Revised Edu Credit	\$ -	Calculated Cell
Taxes Paid	\$ 1,241.00	Based off IRS tax table

If line 15 (taxable income) is—		And you are—			
		Single	Married filing jointly *	Married filing separately	Head of a household
At least	But less than				
12,000					
12,000	12,050	1,223	1,203	1,223	1,203
12,050	12,100	1,229	1,208	1,229	1,208
12,100	12,150	1,235	1,213	1,235	1,213
12,150	12,200	1,241	1,218	1,241	1,218
12,200	12,250	1,247	1,223	1,247	1,223
12,250	12,300	1,253	1,228	1,253	1,228
12,300	12,350	1,259	1,233	1,259	1,233
12,350	12,400	1,265	1,238	1,265	1,238
12,400	12,450	1,271	1,243	1,271	1,243
12,450	12,500	1,277	1,248	1,277	1,248
12,500	12,550	1,283	1,253	1,283	1,253
12,550	12,600	1,289	1,258	1,289	1,258
12,600	12,650	1,295	1,263	1,295	1,263
12,650	12,700	1,301	1,268	1,301	1,268
12,700	12,750	1,307	1,273	1,307	1,273
12,750	12,800	1,313	1,278	1,313	1,278
12,800	12,850	1,319	1,283	1,319	1,283
12,850	12,900	1,325	1,288	1,325	1,288
12,900	12,950	1,331	1,293	1,331	1,293
12,950	13,000	1,337	1,298	1,337	1,298

Optional Documents: W-2, Wage and Tax Transcript, Income Transcript

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Resources

- Where To Find My 2023 Tax Information (2025–26) <https://studentaid.gov/2526/help/find-tax-information>
- Did you file a Schedule with 2023 taxes: <https://studentaid.gov/2526/help/filed-schedule-a-b-d-e-f-h>
- Marital Status and Tax Information: <https://studentaid.gov/2526/help/marital-status-taxes>
- 25-26 FSA Handbook Joint Return Filers Who Are No Longer Married <https://fsapartners.ed.gov/knowledge-center/fsa-handbook/2025-2026/application-and-verification-guide/ch4-verification-updates-and-corrections#:~:text=Joint%20Return%20Filers%20Who%20Are%20No%20Longer%20Married>
- NASFAA 2023 Verification Data and Federal Tax Forms Comparison <https://askregs.nasfaa.org/resources/GetResourceFile/85>
- 2023 Publication 17 <https://www.irs.gov/pub/irs-prior/p17--2023.pdf>



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Questions?



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