

## ***Swint v. Comm’r, 142 T. C. 131 (2014)***

In *Swint v. Comm’r*, the U. S. Tax Court ruled that Lisa Beamon Swint could not claim a dependency exemption or child tax credit for her husband’s child from a prior relationship. The court found that a 1998 court order, which conditionally granted the exemption based on child support payments, did not meet the IRS’s requirements for a valid written declaration under section 152(e). This decision highlights the stringent criteria for dependency exemptions and the importance of unambiguous written declarations in tax law.

### **Parties**

Lisa Beamon Swint, as Petitioner, filed a case against the Commissioner of Internal Revenue, as Respondent, in the United States Tax Court.

### **Facts**

Lisa Beamon Swint married Tommy L. Swint in 2000, and they filed joint federal income tax returns from 2000 to 2010. Before their marriage, Tommy Swint had a child with Tonia Dawn Wilson in 1997. An agreed entry filed in February 1998 by the Common Pleas Court of Montgomery County, Ohio, stipulated that Tommy Swint could claim the child as a dependent for tax purposes as long as he remained current with his child support obligations. If he failed to do so, the right to claim the dependency exemption would transfer to Tonia Dawn Wilson. The agreed entry was not signed by either Tommy Swint or Tonia Dawn Wilson. In 2009, Lisa and Tommy Swint claimed the child as a dependent on their joint federal income tax return, despite the child not living with them.

### **Procedural History**

The Commissioner of Internal Revenue issued a notice of deficiency to Lisa Swint on February 6, 2012, disallowing the dependency exemption deduction and child tax credit for the year 2009. Lisa Swint timely filed a petition with the United States Tax Court contesting the deficiency notice. The Tax Court held that the agreed entry did not constitute a valid written declaration under section 152(e) and affirmed the Commissioner’s determination.

### **Issue(s)**

Whether the agreed entry filed in 1998, which conditionally granted the dependency exemption deduction based on child support payments, satisfied the requirements for a written declaration under section 152(e) of the Internal Revenue Code for the tax year 2009?

### **Rule(s) of Law**

Under section 152(e)(2)(A) of the Internal Revenue Code, a noncustodial parent may

claim a dependency exemption deduction if the custodial parent signs a written declaration that they will not claim the child as a dependent for any taxable year beginning in such calendar year. This declaration must be unconditional and conform to the substance of IRS Form 8332 or a similar document. Section 1. 152-4(e)(1)(ii) of the Income Tax Regulations further states that, for taxable years starting after July 2, 2008, a court order or decree or a separation agreement may not serve as a written declaration. However, section 1. 152-4(e)(5) provides a transition rule allowing pre-July 2, 2008, written declarations to be valid if they met the requirements in effect at the time of execution.

## **Holding**

The Tax Court held that the 1998 agreed entry did not satisfy the requirements for a written declaration under section 152(e) as it was neither signed by the custodial parent nor unconditional. Therefore, Lisa Swint was not entitled to a dependency exemption deduction or a child tax credit for the tax year 2009.

## **Reasoning**

The court analyzed the statutory and regulatory requirements in effect at the time the agreed entry was filed in 1998. It noted that the agreed entry failed to meet two critical requirements: the signature of the custodial parent and the unconditional nature of the declaration. The court cited previous cases such as *Miller v. Commissioner* and *Armstrong v. Commissioner*, which established that a valid written declaration must be signed by the custodial parent and must unconditionally release the dependency exemption. The court also considered the transition rule in section 1. 152-4(e)(5), which allows pre-July 2, 2008, declarations to be valid if they met the requirements at the time of execution. However, the court found that the agreed entry did not meet these requirements. The court rejected the petitioner's argument to reconsider prior case law, affirming that the transition rule did not alter the statutory requirements for a valid written declaration. Consequently, the court concluded that the agreed entry did not constitute a valid written declaration, and thus, the child was not a qualifying child for tax purposes in 2009.

## **Disposition**

The Tax Court entered a decision for the respondent, affirming the Commissioner's determination of a deficiency in Lisa Swint's federal income tax for the year 2009.

## **Significance/Impact**

This case reinforces the strict interpretation of section 152(e) and the requirements for a valid written declaration for dependency exemption deductions. It clarifies the application of the transition rule under section 1. 152-4(e)(5) and underscores the importance of the custodial parent's signature and an unconditional declaration. The decision impacts divorced or separated parents seeking to claim dependency

exemptions and highlights the need for clear and compliant written declarations. Subsequent courts have followed this precedent, emphasizing the necessity of meeting all statutory and regulatory criteria for dependency exemptions and child tax credits.