

IN THE COURT OF COMMON PLEAS OF LYCOMING COUNTY, PENNSYLVANIA

DEAN A. SEVERSON,  
Plaintiff

vs.

SHARON L. SEVERSON,  
Defendant

:  
: No. 06-10,730  
:  
: CIVIL ACTION – LAW  
:  
:  
: Special Relief Petition  
: Re: Payment of Taxes on \$25,000

**ORDER**

AND NOW, this \_\_\_ day of July 2007, upon completion of the evidentiary hearing on this matter, the Court finds the tax payment responsibility of \$9,085.00 for the \$25,000 ING money to be as follows:

88% of this tax liability to be the responsibility of Sharon Severson on the sum of \$7,994.80  
12% of this tax liability to be the responsibility of Dean Severson on the sum of \$1090.20.<sup>1</sup>

Since the tax obligation is billed to Dean Severson, he will be responsible to pay the sum of \$9,085.00 to the IRS with Mrs. Severson repaying to him her 88% obligation of \$7,994.8 within three (3) months of Mr. Severson's payment of this obligation.<sup>2</sup>

---

1 The parties agree that the \$25,000.00 from the ING account would go to Mrs. Severson. Ordinarily, the tax consequences would all fall to her. However, on March 31, 2006, the parties placed the \$25,000 in a joint checking account from which both parties made payments of their own debts until May 2006. Mr. Severson also deposited his paychecks into this account. Thus, this situation makes it difficult to attribute who received benefit from this \$25,000 being placed in the joint account.

However, the evidence before the Court clearly shows that Mrs. Severson shortly after placing the \$25,000 in the joint account, removed \$10,000, \$4,000 and \$5,030.00 from the account for a total of \$19,030.00. It is very difficult to determine if Mr. Severson received benefit from the remaining \$5,970.00 because he also deposited his paychecks into this account. The Court believes it would be equitable to attribute the tax consequences related to one-half of the remaining \$5,970 to each of the parties.

2 The Court does not accept Mrs. Severson's argument that provision 10 of the Property Settlement Agreement in which each party will assume all other debts in their name, applies to the tax obligation on monies that were to exclusively go to Mrs. Severson. While it is true that the tax bill on this money has been sent to Mr. Severson by the IRS, provision 10 clearly did not contemplate his responsibility for taxes on the \$25,000, that was to

By The Court,

---

Kenneth D. Brown,  
President Judge

cc: Work file  
Gary Weber, Esquire (Lycoming Reporter)  
Janice Ramin Yaw, Esquire  
Lori Rexroth, Esquire

---

become the property of Mrs. Severson by virtue of provision 9 of the agreement, which provided she would receive “her inherited account at Comprehensive Financial Group and all in her name.”