



Residency Audit Tips and Traps

Tips

- Keep separate day counts for husband and wife; keep separate day counts for work and pleasure
- Always answer questions and schedules on IT-203 and IT-203B
- Fill out both mailing and permanent addresses on tax return
- Keep contemporaneous records
- Watch travels carefully; avoid the whipsaw effect of partial days in and out
- In certain circumstances, file separate state tax returns
- Consider selling the “historic” home; downsize
- Review estate plan before contemplating a change of residency

Traps

- “I never slept in the apartment”
- Inadequate records
- Domicile changes are usually a “creeping effect”
- Usage by one person: credit card, EZ-Pass and phone

If Audited

- Always prepare for the audit; review all records
- Work with agent, not against