

**CHAPTER 6
DECLARATIONS OF DISCLOSURE,
INCOME & EXPENSE
DECLARATIONS AND
TAX RETURNS**

Rule 5.6.1

Declarations Of Disclosure

All preliminary Declarations of Disclosure ("DOD") must be prepared and served in compliance with Family Code sections 2103 and 2104 unless waived in compliance with Family Code section 2107, subdivision (b)(3).

All final DOD's must be prepared and served in compliance with Family Code section 2105 unless waived in compliance with Family Code section 2105, subdivision (d) or Family Code section 2107, subdivision (b)(3) or Family Code section 2110.

Pursuant to Family Code section 2106, except as provided in Family Code section 2105, subdivision (d) or in Family Code section 2110, or absent good cause as provided in Family Code section 2107, subsection (b)(3), no judgment with respect to the parties' property rights will be entered without each party executing and serving their final DOD and filing a Proof of Service of the DOD. "Good cause" can only be established by a declaration, signed under penalty of perjury, stating sufficient supporting facts. (Adopted 1/1/2005; Renum. 1/1/2006; Rev. 1/1/2011)

Rule 5.6.2

Income and Expense Declarations

A current Income and Expense Declaration, and verification of income pursuant to Local Rule 5.6.3, must be filed *with both the moving and responsive papers* for any hearing involving financial issues, including support, attorney fees and costs. An Income and Expense Declaration is current if it has been completed within three months of the hearing. Supplemental, updated, or responsive Income and Expense Declarations must be served at least five court days before the hearing.

The Income and Expense Declaration should be printed on green paper, and all portions of the form must be completed. Insertion of the word "unknown" does not constitute compliance with this rule. The gross income of all persons living with the party must be included as provided on the Income and Expense Declaration. All cash, funds on deposit, stocks, bonds, and other easily sold assets must be fully disclosed.

(Adopted 1/1/2005; Renum. 1/1/2006; Rev. 1/1/2008; Rev. 1/1/2009; Rev. 1/1/2010)

Rule 5.6.3

Attachments to Income and Expense Declaration

To verify current income, parties must serve copies of the following documents with their Income and Expense Declaration. Documents that are required by this rule to be served with the Income and Expense Declaration may be lodged with the court at the time of the hearing.

For salaried employees: The prior calendar year's W-2 and all pay stubs for the last two months showing all forms of year-to-date earned income.

For self-employed individuals, including independent contractors: A schedule reflecting all compensation received year-to-date and the last two filed IRS 1040 Schedule C or C-EZ; profit-and-loss statements and balance sheets for the two prior calendar years and the current year-to-date.

For employees who are shareholders in a closely-held corporation: The prior calendar year's W-2; all pay stubs for the last two months showing all forms of year-to-date earned income; all IRS K-1's for the two prior years; the last filed IRS Schedule E (Part II); profit and loss statements and balance sheets for the two prior calendar years and the current year-to-date.

For partnership income: A schedule reflecting all compensation received year-to-date, all IRS K-1's for the two prior years; the last filed IRS Schedule E (Part II); profit and loss statements and balance sheets for the two prior calendar years and the current year-to-date.

For rental income: The last filed IRS Schedule E (Part I); summaries of all rental receipts, deposits, disbursements and expenses for the prior calendar year, and for all periods year-to-date.

For dividend income, interest income or other unearned income: The prior calendar year's IRS 1099's; the last filed IRS Schedule B; an itemized summary of all funds on deposit, shares of stock, bonds, or other income-producing assets owned, and the rate of return currently being paid thereon; and, any income derived therefrom during the prior calendar year, and year-to-date.

(Adopted 1/1/2005; Renum. 1/1/2006; Rev. 1/1/2008)

Rule 5.6.4

Disclosure of Income Tax Returns

When child, family, or spousal support is requested, a party may require the opposing party to provide copies of both state and federal income tax returns pursuant to Family Code section 3552. A

request for tax returns must be made no later than 10:00 a.m. five court days before the hearing. Copies of the tax returns including all Schedules, W-2's, 1099's and K-1's must be provided to the requesting party or counsel on the earlier of five court days after the request or 10:00 a.m. two court days before the hearing.

Tax returns served pursuant to this rule must not be filed with the court except as provided in Family Code section 3552.

(Adopted 1/1/2005; Renum. 1/1/2006; Rev. 1/1/2008; Rev. 1/10/2010)

Rule 5.6.5

Privileges Retained

The above rules concerning attachments to Income and Expense Declarations and production of income tax documents are subject to any and all privileges held by a party or any third party whose privilege for non-disclosure would be violated by a party complying with these rules.

(Adopted 1/1/2005; Renum. 1/1/2006)