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tax pro

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New Yorker City resident Andrew Cohen and his husband look forward to a simpler tax season, courtesy of the U.S. Supreme Court's historic ruling on gay marriage.

They had to hire an accountant to help them navigate the tax labyrinth facing gay couples. For last year's federal returns, they filed single because the government didn't recognize their marriage. They filed New York taxes as married because the state recognizes the marriage, but then were required to include a pretend joint federal filing.

"It's just been confusing," said Cohen, a 34-year-old lawyer who married his husband, Christopher Michaud, in July. "We'll just be glad to do our taxes just like any other family."

Now that the high court has struck down the Defense of Marriage Act, people like Cohen have a slew of financial questions as federal agencies and employers begin working out how the Supreme Court's ruling might change decisions made at kitchen tables across the country. The decision will affect not only taxes but also retirement, estate and healthcare plans.

President Obama on Thursday expressed support for a broad interpretation to extend federal benefits to the greatest number of married same-sex couples.

Obama, speaking to reporters on a trip to Senegal, said White House and Justice

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Revenue Service allow married gay and lesbian couples to amend previous tax returns, which could enable some couples to get refunds from past years? And will federal programs benefit married same-sex couples even if they live in a state that doesn't recognize gay marriage?

"It's unclear how the ruling is going to be interpreted by each state," said Catherine Stamm, a senior associate with Mercer, a human resources consulting company. "We need to get some guidance from the IRS."

The IRS said Thursday it was reviewing the DOMA decision and would "move swiftly to provide revised guidance in the near future."

Joint filings could bring some a marriage bonus if one person makes significantly more than the other, and their marriage brings the high earner into a lower tax bracket.

But it could also cost high-earning couples more. If both spouses make a lot of money, they could be thrust into a higher tax bracket. Couples with one who has a lower income may also not qualify for certain tax benefits or credits when their earnings are combined.

"It's a double-edged sword," said Anna Pfaehler, a portfolio manager at Palisades Hudson Financial Group. "With a joint filing, if you have too much income, you might not be able to take certain credits."

Wednesday's ruling should make many things — financial or otherwise — much easier for Carson Glover of New York.

Glover's husband, who is listed on his health insurance plan, will no longer be taxed for those benefits. Because they now qualify for spousal Social Security benefits, they

can cancel the life insurance policies they took out on themselves to ensure their

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Long before the high court's ruling, gay couples have been able to name spouses as beneficiaries for retirement accounts. But when one spouse dies, the account would be classified as an inherited account, requiring immediate withdrawals, said Susan Wolford, a senior vice president at Morgan Stanley Wealth Management in Beverly Hills.

Now, just as with straight couples, a surviving gay spouse could roll the late spouse's retirement savings into his or her account, Wolford said.

"Opposite-sex married couples have been able to do that as long as I can remember," she said. "Presumably — and I put that in quotes — we can have the same opportunities now."

Same-sex spouses should also receive Social Security benefits post-DOMA.

"We could never have talked about my partner being eligible for my Social Security benefits when I die," said Wolford, who married her wife before Proposition 8 halted same-sex marriages in California.

Suzanne Blackburn knows how much the Defense of Marriage Act cost her: about \$550 a month. Blackburn, 62, has been in a domestic partnership with Joanie Kunian, 51, for about six years. When she signed up for healthcare through Kunian's job, the couple faced being taxed on this benefit, something that would not have happened had they been married.

"It was quite shocking," she said. "It was something we were completely ignorant about."

It was cheaper for Blackburn to buy her own health insurance, at \$550 a month, than to get Kunian's and be taxed. Now that the Supreme Court has struck down DOMA, Blackburn will be able to save that money — the couple married in Maine in May.

Perhaps even a bigger relief: The thick pile of papers she keeps in her glove

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For most of us, in reality, the question of being treated like equal citizens was more important than the tax question,” said Adam Teicholz, a freelance journalist and lawyer in New York who married his husband only a few weeks ago.

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