This opinion is nonprecedential except as provided by Minn. R. Civ. App. P. 136.01, subd. 1(c).

STATE OF MINNESOTA
IN COURT OF APPEALS
A24-1220

In re the Marriage of:

Mishaun Ahmad, petitioner,
Appellant,

vs.

Nancy J. Christensen,
Respondent.

Filed July 28, 2025
Affirmed
Johnson, Judge

Anoka County District Court
File No. 02-FA-22-647

Patrick J. Downs, Patrick J. Downs Law, Woodbury, Minnesota (for appellant)

Bethany Hurd, Hurd Law, PLLC, Roseville, Minnesota (for respondent)

Considered and decided by Johnson, Presiding Judge; Worke, Judge; and Smith, John, Judge.[*]

NONPRECEDENTIAL OPINION

JOHNSON, Judge

This appeal concerns an award of spousal maintenance in the amount of $2,800 per month. The maintenance obligor argues that the district court erred in its findings of his

[*] Retired judge of the Minnesota Court of Appeals, serving by appointment pursuant to Minn. Const. art. VI, § 10.

income and his expenses and in its ultimate decision to award maintenance in the amount ordered. We conclude that the district court did not clearly err in any of the challenged findings and did not abuse its discretion by awarding spousal maintenance. Therefore, we affirm.

FACTS

Mishaun Ahmad and Nancy J. Christensen were married in 1995. The parties separated in 2021, and Ahmad petitioned for dissolution of the marriage in April 2022.

For most of the parties' marriage, Christensen's employment as a nurse was the couple's primary source of income, and Ahmad worked on a part-time basis. Christensen retired in 2015 at the age of 64. At about the same time, Ahmad's income as a self-employed real-estate broker increased.

One week before trial, the parties voluntarily resolved the issue of dividing marital assets and liabilities. The sole issue for trial was spousal maintenance, which was tried on one day in September 2023.

In January 2024, the district court filed an order that resolved the issue of spousal maintenance. The district court found that Ahmad's income is $176,862 per year (or $14,739 per month) and that his reasonable monthly expenses are $7,251. The district court found that Christensen's after-tax income is $4,438 per month, that her reasonable monthly expenses are $7,550, and that her monthly deficit is "at least $2,742." The district court concluded that Christensen is unable to support herself and, after considering the applicable statutory factors, awarded Christensen permanent spousal maintenance in the amount of $2,800 per month.

In February 2024, the district court signed and filed the parties' stipulated order resolving issues other than spousal maintenance and dissolving the marriage. Ahmad moved for amended findings in the spousal-maintenance order. In June 2024, the district court denied Ahmad's motion, and the district court administrator entered judgment. Ahmad appeals.

DECISION

Ahmad argues that the district court erred in its findings concerning his income and expenses and in its ultimate decision to award Christensen spousal maintenance in the amount of $2,800 per month.

Spousal maintenance is defined by statute to mean "payments from the future income or earnings of one spouse for the support and maintenance of the other." Minn. Stat. § 518.003, subd. 3a (2024). If a party requests spousal maintenance, a district court must engage in a two-step analysis. First, a district court must consider whether the spouse seeking maintenance

> (a) lacks sufficient property, including marital property apportioned to the spouse, to provide for reasonable needs of the spouse considering the standard of living established during the marriage, especially, but not limited to, a period of training or education;
>
> (b) is unable to provide adequate self-support, after considering the standard of living established during the marriage and all relevant circumstances; or
>
> (c) is the custodian of a child whose condition or circumstances make it appropriate that the custodian not be required to seek employment outside the home.

Minn. Stat. § 518.552, subd. 1 (2024).[1] This threshold inquiry asks, in essence, whether the party seeking spousal maintenance has made a "showing of need." *Curtis v. Curtis*, 887 N.W.2d 249, 252 (Minn. 2016) (quotation omitted).

Second, if a party has a need for spousal maintenance, the district court may award spousal maintenance "in amounts and for periods of time, either transitional or indefinite, as the court deems just, . . . after considering all relevant factors." Minn. Stat. § 518.552, subd. 2 (2024); *see also Erlandson v. Erlandson*, 318 N.W.2d 36, 39-40 (Minn. 1982). Eight relevant factors are prescribed by statute. *See* Minn. Stat. § 518.552, subd. 2(a)-(h). The first statutory factor is "the financial resources of the party seeking maintenance, including marital property apportioned to the party, and the party's ability to meet needs independently." *Id.*, subd. 2(a). The sixth statutory factor is "the ability of the spouse from whom maintenance is sought to meet needs while meeting those of the spouse seeking maintenance." *Id.*, subd. 2(f). No single factor is dispositive. *Broms v. Broms*, 353 N.W.2d 135, 138 (Minn. 1984). This court applies an abuse-of-discretion standard of review to a district court's decisions concerning the amount and duration of an award of spousal maintenance. *Erlandson*, 318 N.W.2d at 38.

Ahmad frames his arguments as challenges to the district court's findings of fact. In reviewing an award of spousal maintenance, this court applies a clear-error standard of review to a district court's findings of income and expenses. *Sinda v. Sinda*, 949 N.W.2d

[1]Section 518.552 was amended in various ways in 2024. 2024 Minn. Laws ch. 101, art. 2, §§ 1-8, at 869. The 2022 version of the statute was in effect at the time of the district court's order awarding Christensen permanent spousal maintenance. The 2024 amendments do not affect the analysis in this appeal.

170, 175 (Minn. App. 2020); *Maiers v. Maiers*, 775 N.W.2d 666, 668 (Minn. App. 2009); *Melius v. Melius*, 765 N.W.2d 411, 414 (Minn. App. 2009). A finding of fact is clearly erroneous if it is "manifestly contrary to the weight of the evidence or not reasonably supported by the evidence as a whole." *In re Civil Commitment of Kenney*, 963 N.W.2d 214, 221 (Minn. 2021) (quotation omitted). "In applying the clear-error standard, we view the evidence in a light favorable to the findings." *Id.* "We will not conclude that a factfinder clearly erred unless, on the entire evidence, we are left with a definite and firm conviction that a mistake has been committed." *Id.* (quotations omitted). Importantly, clear-error review does not permit an appellate court to engage in factfinding, reweigh the evidence, make credibility determinations, or reconcile conflicting evidence. *Id.* at 221-23. "Consequently, an appellate court need not 'go into an extended discussion of the evidence to prove or demonstrate the correctness of the findings of the trial court.'" *Id.* at 222 (quoting *Meiners v. Kennedy*, 20 N.W.2d 539, 540 (Minn. 1945)).

> Rather, because the factfinder has "the primary responsibility of determining the fact issues" and the "advantage" of observing the witnesses in "view of all the circumstances surrounding the entire proceeding," an appellate court's "duty is fully performed" after it has fairly considered all the evidence and has determined that the evidence reasonably supports the decision.

Id. (quoting *State ex rel. Peterson v. Bentley*, 71 N.W.2d 780, 786 (Minn. 1955)).

A. Ahmad's Income

We begin by considering Ahmad's arguments challenging the district court's finding of his income.

Ahmad is a real-estate broker. He has owned and operated M&N Real Estate Plus LLC since 2013, and it has been his sole source of income since November 2021. He earns commissions of approximately 2.5 percent on homes bought or sold by his clients. During the seven-year period before trial, other real-estate agents worked for M&N as independent contractors, and M&N earned between 10 and 20 percent of their commissions. For income-tax purposes, M&N's net income was passed through to Ahmad because M&N is a limited liability company, Ahmad is the sole member, M&N presumptively is disregarded as an entity separate from its owner, and M&N did not elect to be treated as an association. *See* Treas. Reg. § 301.7701-3(a), (b)(1)(ii) (2020); Minn. Stat. § 290.01, subd. 3b (2024).

A party's income for spousal-maintenance purposes includes income from self-employment or the operation of a business. *See* Minn. Stat. §§ 518A.29(a), 518A.30 (2024); *see also* Minn. Stat. §§ 518A.26, subd. 8, 518A.29 (2024); *Lee v. Lee*, 775 N.W.2d 631, 635 & n.5 (Minn. 2009) (reviewing modification of spousal maintenance). "[I]ncome from self-employment or operation of a business . . . is defined as gross receipts minus . . . ordinary and necessary expenses." Minn. Stat. § 518A.30; *see also Haefele v. Haefele*, 837 N.W.2d 703, 711 (Minn. 2013).

The parties and the district court relied in substantial part on Ahmad's income-tax returns to determine his income. Ahmad and Christensen filed joint income-tax returns in 2018, 2019, and 2020, and Ahmad filed separately in 2021 and 2022. Christensen retained an expert accountant, who prepared a written report, which was admitted into evidence without objection. Christensen's expert calculated that, during the five-year period of 2018 to 2022, M&N's average net income (excluding depreciation expense) was $190,115 per year (or $15,843 per month).[2] The district court found that Ahmad's income is less than that average: $176,862 per year (or $14,739 per month).

The district court did not err by finding Ahmad's income based on his historical income over a period of time. If a maintenance obligor's income is inconsistent from year to year, an average income "takes into account fluctuations and more accurately measures income." *Veit v. Veit*, 413 N.W.2d 601, 606 (Minn. App. 1987); *see also Swick v. Swick*, 467 N.W.2d 328, 332-33 (Minn. App. 1991), *rev. denied* (Minn. May 16, 1991). It is especially appropriate to use an average in this case because Ahmad testified that his income decreased in 2022 and 2023 due to adverse market conditions, which implies that his income will increase again when market conditions improve.

Ahmad contends that the district court erred on the ground that its finding of his income does not reflect a decrease in M&N's net income in 2022 and a further decrease in 2023. With respect to 2022, Ahmad contends that the district court erred by finding that M&N's net income in that year was greater than shown on his income-tax return. The district court acknowledged the income reported on Ahmad's 2022 income-tax return but noted that M&N's net income was lower in 2022 primarily because commission expenses had increased substantially, without explanation. To account for the unexplained increase

[2] Ahmad contends that Christensen's expert miscalculated the income he derived from M&N because his income-tax returns in 2018 and 2019 included income from sources other than M&N, such as Christensen's pension and social-security benefits, the sale of a business, and income from a rental property. The contention is without merit. M&N's net income in 2018 and 2019 is reflected on schedule C of his income-tax returns, and the expert's analysis appropriately uses the net-income numbers shown there, not the larger numbers shown on schedule 1 and form 1040. On cross-examination, Ahmad agreed that the M&N net-income numbers in the expert's report are accurate.

in expenses, the district court assumed that M&N's total expenses in 2022 were proportional to revenues to the same extent as in the four prior years, which would result in net income of $176,862.

As an initial matter, a party's income-tax returns are not conclusive evidence of the person's income. *Stephenson v. Stephenson*, 104 N.W.2d 517, 518-19 (Minn. 1960); *Otte v. Otte*, 368 N.W.2d 293, 297 (Minn. App. 1985). Rather, income-tax returns "are evidence of [a party]'s income and may be considered by the court along with other evidence in the record in making its determination" of income. *Stephenson*, 104 N.W.2d at 519. In addition, the district court's adjustment of M&N's expenses and net income in 2022 is authorized by statute: "Specifically excluded from ordinary and necessary expenses are . . . any . . . business expenses determined by the court to be inappropriate or excessive." Minn. Stat. § 518A.30. Furthermore, Ahmad bore the burden of proving that M&N's expenses are ordinary and necessary. *Id.* And the district court's adjustment of M&N's expenses in 2022 is supported by evidence in the record, namely, the income-tax returns themselves and the analysis performed by Christensen's expert.

With respect to 2023, Ahmad contends that the district court erred by not crediting his testimony that M&N's net income was lower in 2023 than in 2022. Ahmad testified that M&N's net income was lower during the first eight months of 2023 because of decreased revenues. Ahmad testified that, at the time of trial (in mid-September 2023), he had had only nine closings in 2023, as compared to 34 and 36 closings in his "banner years" of 2020 and 2021 and 15 closings in 2022. Ahmad attributed the decrease in closings to higher mortgage interest rates and lower inventories. On cross-examination, Ahmad acknowledged that he had received revenue from his independent-contractor agents in 2023, who had completed two closings thus far that year. Ahmad estimated that his net income, year to date, was approximately $60,000, which, if annualized, would imply net income of approximately $90,000 per year.

The district court noted that Ahmad had not introduced any 2023 business records to corroborate his testimony. The district court stated its belief that Ahmad was "not providing a full picture of his actual earnings" in 2023 and expressed concern that Ahmad was "intentionally forgoing income by limiting his sales and earnings." The district court found, "Based on the limited information provided to the court, [Ahmad's] performance for the first 8+ months of 2023 is not inconsistent with his sales records from prior years." Accordingly, the district court did not find that M&N's net income was lower in 2023 than in 2022; rather, the district court found that Ahmad's personal income is $176,862 per year (or $14,739 per month), which, as explained above, is based on Ahmad's 2022 income-tax returns with an adjustment to M&N's expenses.

The district court's particular findings are supported by the documentary evidence, including Christensen's expert's analysis. Ahmad contends that the district court erred by not relying on his testimony. The district court declined to rely on Ahmad's testimony because the district court questioned its accuracy. Though not expressly phrased as a credibility finding, the district court sufficiently explained why Ahmad's evidence was not persuasive. As stated above, our standard of review does not allow us to reweigh the evidence, make credibility determinations, or reconcile conflicting evidence. *See Kenney*, 963 N.W.2d at 221-23. Furthermore, Ahmad's testimony that his income in 2023 was dramatically less than in 2022 is inconsistent with the evidence that his number of closings to date in 2023 (nine) was, at the time of trial, roughly on pace with the total number of closings in 2022 (fifteen).

Thus, the district court did not clearly err in its finding of Ahmad's income.

B. Ahmad's Living Expenses

Ahmad also argues that the district court erred in its findings concerning his reasonable monthly living expenses. Specifically, Ahmad challenges the district court's reduction or elimination of his claimed amounts in four categories of living expenses. We apply a clear-error standard of review. *Sinda*, 949 N.W.2d at 175; *Maiers*, 775 N.W.2d at 668; *Melius*, 765 N.W.2d at 414.

First, Ahmad argues that the district court erred by finding that his health-insurance expense is $725 per month rather than $917, as he claimed. The evidence shows that Ahmad was covered by Christensen's retiree health-insurance policy during the marriage and that he paid her $917 per month during their separation to reimburse her for his portion of the coverage. The evidence also shows that Ahmad found an individual policy costing $725 per month for 2023 and paid for at least one month of coverage before canceling the policy to avoid duplicative coverage. The district court reasoned that there is no evidence that, after the dissolution, Ahmad's monthly premium would be more than $725. Ahmad does not cite any such evidence. Thus, the district court did not clearly err by finding that Ahmad's reasonable monthly expense for health insurance is $725.

Second, Ahmad argues that the district court erred by striking from his budget a $1,000-per-month payment to the IRS to pay off tax debts. The district court disallowed this item because the debts were accounted for in the parties' division of marital assets and liabilities and were specifically assigned to Ahmad. The district court's reasoning is consistent with caselaw. In *Duesenberg v. Duesenberg*, No. A17-1317, 2018 WL 3520536 (Minn. App. July 23, 2018), this court concluded that a party's monthly payments on a marital debt that was specifically awarded to that party should not have been included in the party's reasonable monthly expenses for purposes of spousal maintenance. *Id.* at *3-4; *see also* Minn. R. Civ. App. P. 136.01, subd. 1(c) (providing that nonprecedential opinions are "not binding authority" but "may be cited as persuasive authority"). Similarly, in *Lee*, the supreme court held that the maintenance obligor's pension benefits, which were included in the award of marital property, should not be included in the obligor's income for purposes of modifying spousal maintenance. 775 N.W.2d at 640 & n. 10. The *Lee* court reasoned that counting the pension benefits as income for spousal-maintenance purposes potentially could increase the amount of the obligor's maintenance payments. *Id.* at 640. The supreme court said that result would be "akin to putting money into [the obligor's] left pocket while simultaneously removing money from [the obligor's] right pocket, in effect modifying the prior property division without finding the existence of the factors set forth in" the statute governing the reopening of dissolution decrees. *Id.* at 640 (citing Minn. Stat. § 518.145, subd. 2 (2008)). By analogy, to adopt Ahmad's argument would be akin to putting money into Christensen's left pocket (by improving her personal balance sheet by reducing her debts) while simultaneously removing money from her right pocket (by potentially reducing the amount of her spousal-maintenance award). Thus, the district court did not clearly err by striking from Ahmad's monthly budget a $1,000 payment to the IRS.

Third, Ahmad argues that the district court erred by striking from his budget a $400-per-month payment described as debt service with respect to "credit cards." The district court disallowed this item because Ahmad testified that he used credit cards for living expenses such as groceries, restaurants, utilities, clothing, car washes, telephone bills, and other expenses that already are accounted for in his monthly budget. The district court appropriately reasoned that to include this $400-per-month item would be a form of double-counting. Ahmad suggests that there is not a complete "overlap" between the "credit cards" item and other expense items, but he does not describe the purportedly non-overlapping expense types or attempt to quantify them. Our review of his credit-card statements reveals numerous charges apparently for groceries, gasoline, and dining out, all of which are separately accounted for on Ahmad's monthly budget. Thus, the district court did not clearly err by striking from Ahmad's monthly budget a $400 payment on his credit cards.

Fourth, Ahmad argues that the district court erred in its discussion of his claimed expenses of $500 per month for charitable contributions and $1,000 per month for vacations and travel. The district court expressed concern about these two items but did not actually strike them or reduce them. The district court found that Ahmad's total reasonable monthly expenses are $7,251, which reflects the $9,113 that he claimed, less a $192 reduction for health-insurance premiums, the elimination of $1,000 for payments to the IRS and $400 for payments on his credit cards, and $270 for unreimbursed dental and medical expenses (which is not at issue on appeal). The district court stated that it was "concerned that the listed expenses for charitable contributions and travel are not reasonable" but also stated that "it does not have to make this determination since [Ahmad] can pay spousal maintenance regardless of whether these items are considered reasonable expenses." Because Ahmad's claimed expenses for charitable contributions and travel were not stricken or reduced, he cannot show that he was prejudiced by the district court's discussion of those expense items.

In sum, the district court did not clearly err by finding that Ahmad's reasonable monthly expenses are $7,251.

C. Award of Spousal Maintenance

Ahmad last argues that the district court erred by awarding Christensen spousal maintenance in the amount of $2,800 per month. As stated above, we apply an abuse-of-discretion standard of review. *Erlandson*, 318 N.W.2d at 38.

The first statutory factor relevant to the duration and amount of spousal maintenance is "the financial resources of the party seeking maintenance, including marital property apportioned to the party, and the party's ability to meet needs independently." Minn. Stat. § 518.552, subd. 2(a). The district court found that Christensen's after-tax monthly income is $4,438, that her reasonable monthly expenses are $7,550, and that her monthly deficit is "at least $2,742." The district court further found that Christensen is unable to support herself according to the marital standard of living.

The sixth statutory factor relevant to the duration and amount of spousal maintenance is "the ability of the spouse from whom maintenance is sought to meet needs while meeting those of the spouse seeking maintenance." *Id.*, subd. 2(f). The district court found that Ahmad's income is $176,862 per year, or $14,739 per month, before taxes. Christensen's expert calculated that Ahmad would pay $54,947 (or $4,579 per month) in income taxes on M&N's net income of $190,115 (which is a higher net income than the district court's finding). Thus, Ahmad's after-tax income is at least $10,160 per month. *See Schmidt v. Schmidt*, 964 N.W.2d 221, 226-29 (Minn. App. 2021) (stating that district court must consider party's after-tax income if there is evidence of party's anticipated income-tax obligations and income taxes may be determinative). The district court also found that Ahmad's reasonable monthly expenses are $7,251. Thus, without a spousal maintenance obligation, Ahmad would have an after-tax monthly surplus of at least $2,909. In analyzing the sixth statutory factor, the district court stated as follows:

> The court is aware that [Ahmad's] gross monthly income may have decreased in 2022 and 2023. However, [Ahmad] has not provided a sufficient record for the court to determine the degree to which his income has lowered and, as [Ahmad] has acknowledged, the real estate market ebbs and flows with future projections indicating that the market will improve. Regardless, [Ahmad] is an experienced realtor who has been able to close on properties, even in downtrodden years like 2023. [Ahmad's] income situation is likely nowhere near as dire as he claims . . . , and even if his gross monthly income has decreased since 2022, the court finds that he can still afford to pay [Christensen] reasonable spousal maintenance while still having enough money to meet his own expenses.

Ultimately, the district court awarded Christensen permanent spousal maintenance in the amount of $2,800 per month. That number is approximately equal to Christensen's after-tax monthly deficit and less than Ahmad's after-tax monthly surplus. Thus, we conclude that the district court did not abuse its discretion by awarding Christensen spousal maintenance in the amount of $2,800 per month.

Affirmed.