WritingFix’s Basic Rules for Punctuating Dialogue
(this one-page resource comes from http://writingfix.com and http://writingfix.org)

First, let’s start with two terms:

☐ This is a QUOTE: "I'm trying to be a better writer." Notice how the punctuation (a period, in this example) goes INSIDE the quote mark.

☐ A TAG accompanies the QUOTE. Here are some TAGS with speech verbs: I said; Frank replied; the young girl screamed; they hollered; he whispered; Melody murmured.

Most errors occur when separating the QUOTE from the TAG. Here are five rules to try to follow:

1. Use a COMMA to separate the quote from the tag ONLY if the tag has a speech verb in it. Like this: "I'm trying to be a better writer," he said as he bit his pencil. OR He bit his pencil and said, "I'm trying to be a better writer."

2. Use a PERIOD to separate the quote from the tag if there's no speech verb. Like this: "I'm trying to be a better writer." He glared at his teacher.

   If there's not a speech verb, the TAG is considered a separate sentence and needs its own period and a capital letter.

3. If the QUOTE ends with an exclamation or a question mark, don’t turn them into commas. The first word of the TAG is only capitalized if it’s a proper name or the pronoun I. "I'm trying to be a better writer!" he screamed over the noise of the city. OR "Does anyone know where my favorite pencil went?" she asked the room of scribbling students.

   But if the TAG doesn’t contain a speech verb, it’s considered a separate sentence and you have to capitalize the first letter: "Has anyone seen my favorite pencil?" She looked panic-stricken as she spoke.

Now here's where it may get tricky:

4. If the TAG interrupts a QUOTE that is a longer complete sentence, use commas to show that the quote isn’t finished yet: "I'm not trying to be a better writer," he said, "and I wish you'd stop bugging me." (Notice the and is lower case, not capitalized).

5. If the TAG separates two QUOTES that are complete sentences, use a capital letter to start each sentence and a period to indicate which sentence the tag goes with: "I'm trying to be a better writer," she said. "Writing is very important to me." OR "I'm trying to be a better writer." She said, "Writing is very important to me."

   The second example seems awkward because it’s unusual in writing for a TAG to go before the QUOTE. You’ll see it sometimes, but not often.

A REMINDER (because this is such a common mistake): If the TAG doesn’t contain a speech verb, consider it a separate sentence: "I'm not a bad writer." She gave him an angry look. "I just don’t spell very well yet."

AND FINALLY (because this becomes common as you use more and more dialogue in your writing): If you have two or more characters exchanging dialogue back and forth in a story, create a new paragraph each time a new person speaks. This makes a story have shorter paragraphs, but it helps the reader determine which QUOTE belongs to which character.