

Preparing for Divorce

When faced with a potential divorce you may suddenly have an overwhelming number of things to do from moving, dividing your tangible items and separating your financial assets. Navigating this extremely difficult time is never easy, but an organized checklist can help make the practical side of things feel more manageable. Here is a list and timeline of suggested practical steps when divorce becomes a reality.

Pre-Divorce Things to Consider

1. Who will stay in your home pre-divorce? Pay the mortgage and utility bills?
2. Will someone keep the house post-divorce?
3. How will you handle existing debt?
4. How will you share custody of your children?
5. How will you split big-ticket items including your home(s), car(s), etc.?
6. Who will pay for legal fees? Will you each pay your own attorney?
7. Consider freezing any joint credit cards if there is a concern about your spouse making large unexpected purchases.

What to do Immediately:

Make an appointment with a divorce attorney. Please contact us if you need a recommendation for an attorney that might be a good fit for your situation.

Gain a clear understanding of your financial situation i.e. current value of assets, incomes for both spouses, list of non-financial assets and ownership of these items

Gather documents early:

- Pre-marital agreements
- Tax returns
- Pay stubs
- Bank statements
- Investment and retirement account statements
- Property deeds – cars/boats, property, other real property
- Insurance policies – life, home, auto, other
- Statements – utilities, credit cards, memberships, clubs, etc.
- Inheritances received

Next Steps:

If children are in the picture, attempt to anticipate future costs i.e. orthodontia, college tuition, transportation, childcare, etc.

Build a support team with family, friends, counselors and trusted advisors – financial and legal

Self-care - Set time aside to meditate or exercise, seek therapy, or other mental escapes to help cope with all the emotions and stress you might encounter

Once Divorce Has Been Granted and Decree Has Been Issued:

If necessary, update your name with the Social Security Administration. You will need this completed before any updates can be made with many companies: www.ssa.gov
Contact your local Department of Motor Vehicles to update your driver's license as well as any motor vehicle titles.

Update your name, address, beneficiaries and/or billing information with:

- Employer and benefits organization
- Financial institutions including banks and brokerage firms
- Utility companies
- Magazines, subscription services
- Clubs or other memberships
- Credit card companies
- Insurance companies
- Real property titles
- Passport
- Health care providers (doctor, dentist, etc.)
- Caregivers (schools, day care providers, adult home care providers, housekeepers, etc.)

Update will, estate plan, trusts or other legal documents with your attorney

Contact your CPA to determine tax filing

Update W-4 with employer if necessary

Keep certified copy of legal paperwork in a safe-deposit box

Follow-up on division of assets and property to ensure proper title changes

Follow-up on payments you are to receive from your ex-spouse, contact your attorney if payments are not being made.

Follow-up on banking / bill pay to ensure all auto-debits and bill pay are allocated correctly.

For additional information, please consider referring to: <https://myguidance.fidelity.com/ftgw/pna/public/lifeevents>

Your attorney will be able to walk you through the entire divorce process, but oftentimes they prefer a financial expert is consulted to ensure the financial decisions being made are done appropriately based on the client needs for the future. Within the JGP Wealth Management Group, Joseph Gross, is a Certified Divorce Financial Analyst (CDFA®). He has developed a unique set of skills to address the special financial issues of divorce. He is trained to analyze effects of dividing property, investigate potential tax issues, evaluate insurance needs, examine retirement and pension plans, among many other financial aspects that will need to be considered.

If you or someone you know might be considering or is currently going through a divorce, Joe would be a valuable resource and advisor. Please contact our office if you would like to schedule a meeting.

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