

# Joining Finances After Marriage

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Marriage is one of the most rewarding things you can ever be a part of. Every day brings on a new shared adventure, and one of the first adventures you will navigate together is planning your combined financial life. Use these steps as you work with your CERTIFIED FINANCIAL PLANNER™ to combine your finances and prepare for a long future together.

## Information Gathering

“Secrets don’t make friends,” and they may even hinder your marriage. Being open and honest with each other is important and will go a long way. Now is the time to reveal any debt or assets your significant other may not have known about before marriage. Gathering all statements before you sit down is the easiest way to disclose all income, assets, and liabilities.

## Establish Financial Goals

Having an open-ended discussion about shared short-term and long-term goals is necessary before any action is taken. Do you want to pay down student loans? Save for a house? Increase retirement savings? Fund your children’s education? Don’t forget to prioritize these goals to make sure you both are on the same page.

## Compare Saving and Spending Habits

Are you both spenders? Are you both savers? Is one of you a spender and the other a saver? Compare bank and credit card statements to get a better idea of each other’s habits before you create a budget. Be open and flexible with each other’s tendencies. Compromise is key.

## Create a Budget

Once you know each other’s financial situation and spending habits, it’s time to create a budget. A budget is a great tool to manage expectations and avoid future conflicts. Use your budget to plan for monthly expenses and savings. Does one person make significantly more than the other? Now is the time to discuss how much of the joint expenses each person is responsible for.

## Open a Joint Bank Account

Discuss whether you plan on lumping all your money together or will keep separate accounts for discretionary spending. Regardless of the path you collectively agree on, opening a joint account is a great way to manage combined expenses.



## Compare Health Insurance Plans

Compare health insurance coverages to decide if you should keep individual coverage or elect a family plan. Also, you may be able to save money by combining auto and homeowners’ insurances into one joint policy.

## Establish or Update Estate Documents

Do you have wills, power of attorneys, health care power of attorneys, and living wills? If you don’t, now might be the time. Each document serves an essential purpose and ensures your wishes are carried out. This step is especially crucial if you have children. Do you really want your in-laws fighting over custody of your children? Also, don’t forget to update all beneficiary designations on retirement plans, savings accounts, insurance policies, and other accounts.

The most important thing to remember is always to keep discussions open-ended as priorities and goals change over time. A CERTIFIED FINANCIAL PLANNER™ can help walk you through this ever-changing process.

