

# LIFE EVENT FINANCIAL CHECKLIST: REMARRIAGE

Getting remarried is an exciting time. This checklist can help you consider some important financial decisions often associated with merging households.

## Financial Goals

- Discuss and identify short- and long-term goals.
- Determine the amount that must be saved or invested each month to achieve goals.
- Develop and adhere to a monthly budget. Don't forget to include any support payments you make or receive.
- Save six months' worth of living expenses for emergencies.
- Discuss and decide when a joint decision should be made (i.e., large purchases with a defined dollar amount).

## Financial Considerations

- If changing your name, update your Social Security card, driver's license and tax forms.
- Regularly schedule family financial meetings.
- Discuss and decide how to handle past financial obligations (i.e., child support, alimony, etc.). You may want to consider temporarily managing three accounts – his, hers and ours – to keep track of various payments.
- Create a combined financial statement of net worth.
- Discuss whether you should merge existing financial accounts.
- Decide who is best suited to manage the day-to-day family finances (i.e., bills, records, etc.).

- Review credit reports to identify and correct any errors that may exist to reduce the chance of any surprises when making large purchases together (i.e., car, home, etc.).
- Determine where you will live.
- If you own a home and plan to live there for five years or more, consider refinancing if one or both of you have a good credit score.
- Discuss any large outstanding loans and develop a plan for reducing/eliminating that debt.
- Update titles on property to reflect your new spouse.
- To maximize potential retirement savings, both spouses should participate in an employer-sponsored retirement savings plan. (If employer matches contribution, participation should be at least up to that amount.)
- Make sure you each have at least one credit card in your name to maintain individual credit history.

## Medical and Disability Insurance

- Evaluate your medical plans to decide which policy is more economical and comprehensive.
- Add your spouse and any dependents to the medical policy. If appropriate, cancel any unnecessary policies.
- Review disability insurance to ensure appropriate coverage is in place. Remember to include any support payments to an ex-spouse when determining your appropriate coverage.

## Investment Review

- Choose a financial advisor you are both comfortable using, and schedule a meeting.
- Identify retirement and other life goals, and choose investments that can help you achieve them.
- Consider consolidating investment accounts.
- Review/update your beneficiaries on all accounts.
- If applicable, discuss and update financial plans for your children's education funding: Coverdell Education Savings Account or 529 plan.

## Income Taxes

- Consult with your tax professional to discuss the tax implications related to your marriage.
- Adjust your tax withholding on form W-4 to reflect your new marital status (human resources department).
- Discuss your Social Security benefits with your tax professional. It's possible that if you are under the age of 60 when you remarry, your benefits may be impacted.

## Estate Planning

- Work with an attorney to determine which of the following documents are appropriate. If you have children, this step is critical to ensure that your wishes will be carried out and the needs of your dependents will be considered.
  - Will
  - Living Will
  - Durable Power of Attorney
  - Health Care Power of Attorney
  - Trust
- Re-register accounts and property to include rights of survivorship.
- Review life insurance policies and update beneficiaries and coverage. Be sure to include any support payments to an ex-spouse.
- Consider a prenuptial agreement if one or both parties bring substantial assets or debts to the marriage, or if either party expects to inherit substantial assets.

Edward Jones and its employees and financial advisors are not estate planners and do not provide tax or legal advice. You should consult a qualified tax or legal professional for advice regarding your specific situation.



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