

Financial Considerations

When Getting Married



TAXES	Do you need to review your filing status? If so, MFJ offers more deductions than MFS and will result in lower tax liability in most cases.
	Do you need to review and update tax withholdings/estimates?
	Do either of you have tax loss carryforwards? If so, consider how to best utilize such carryforwards in the future.
	Does your new filing status and Adjusted Gross Income impact your ability to contribute to tax-advantaged accounts?
LONG TERM	Are you planning on making any major expenditures in the near future (such as buying a home, home improvements, or education)? If so, consider developing a plan now to ensure adequate funding.
	Do you need to review or compare goals as a result of the marriage?
	Do you need to create or update your estate plan?
	Do your beneficiary designations need to be reviewed and possibly updated? This includes retirement plans, life insurance, and TOD accounts.
	Do you or your spouse have a successful business, sizable inheritance, or debts that you would like to keep separate? If so, consider a prenuptial agreement.
CASH FLOW	Do you plan on having children and want yourself or your spouse to stay home to raise the children? If so, consider your ability to pay for a major purchase (such as a house) and maintain your desired lifestyle on one income.
	As a couple, do you need to discuss financial topics? If so, consider your own individual career and personal goals, and the amount you are both comfortable saving for the future and spending now.
	Will your cash flow needs change? If so, consider developing a new income and expense plan.
	Do you need to adjust how much you are saving?
	Do you need to identify and assign financial responsibilities (e.g. oversight and management of cash flow, accounts, investments, etc.)?
	Do you plan to combine finances?
	Do you and your spouse use credit cards? If so, consider which card provides the best benefits (features, points, etc.) and the potential benefits of consolidating the number of cards.
ASSET & DEBT	Have your investment goals or risk-tolerance for any or your accounts changed as a result of the marriage?
	Have your investment goals or risk-tolerance for any or your accounts changed as a result of the marriage?
	Do you maintain separate accounts (e.g., investments, checking, saving)? If so, consider the benefits of opening Joint accounts.
	Do you or your spouse have any substantial debts? Consider paying down debts with the highest interest rates first and consolidate debts when beneficial.
	Do you need to determine the size of your emergency fund?
INSURANCE	Are there credit history issues? Pull annual credit reports to understand where the issues arise, develop a plan to rebuild credit history, maintain Joint credit cards, to help build the credit history of the spouse with poor credit.
	Do you plan on having children and want yourself or your spouse to stay home to raise the children? If so, consider your ability to pay for a major purchase (such as a house) and maintain your desired lifestyle on one income.
	Are you each currently covered by your respective employer's health insurance?
	Has there been a change to the amount of life/disability coverage you need?
	Do you need to update homeowners or renters insurance? Consider adding your spouse to the policy and updating the coverage in light of the combined value of your belongings, including jewelry.
	Do you and your spouse own vehicles? Consider reviewing auto insurance policies to see if there can be a cost savings from consolidating.

Erik Garcia, CFP®, BFA™
CERTIFIED FINANCIAL PLANNER™

info@plan-wisely.com

Xavier Angel, CFP®, ChFC®, CLTC®
CERTIFIED FINANCIAL PLANNER™