

# Newlyweds

## Checklist for

CRITICAL FINANCIAL CONVERSATIONS  
TO HAVE BEFORE SAYING "I DO"

Money touches and affects everything in our lives. And for married couples, it can often be a major source of stress. Almost three-quarters of married couples say that financial decisions are a persistent source of tension in their relationship, and seven out of ten have had a disagreement with their partner about finances in the past year.<sup>1</sup>

The same survey found that some of the most common causes of financial arguments between married couples were disagreements between needs and wants (36%) and making purchases without discussing them first (22%). Partners not only quarrel about money but also hide transactions from each other. Another survey found that 39% of couples have hidden a purchase, bank statement, bank account, cash, or a bill from their partner. One of the best ways to avoid these destructive issues and arguments is to talk openly about finances before saying "I do."<sup>1,2</sup>

We created this checklist for newlyweds as a way for engaged or newly married couples to approach these potentially intense and emotional conversations. We encourage you to share this booklet with family members or friends whose children or grandchildren are getting married. It might be one of the most valuable wedding presents you can give.

If you need help completing this checklist, please let us know. You also should consult an attorney or certified public accountant regarding any legal and tax matters and documentation.



## LEGAL BASICS

*If you are going to change your name or move to a new home, remember to notify the appropriate places.*

- \_\_\_\_\_ Social Security Administration
- \_\_\_\_\_ Driver's license and voter card
- \_\_\_\_\_ Children's schools, if applicable
- \_\_\_\_\_ US Postal Service
- \_\_\_\_\_ Passport
- \_\_\_\_\_ Employer or Human Resources Department
- \_\_\_\_\_ Banks, credit cards, loans, and mortgages
- \_\_\_\_\_ Utilities, telephone, and cable
- \_\_\_\_\_ Miscellaneous other accounts, such as subscriptions and memberships

## FINANCIAL BASICS

*Understand more about your own and your partner's financial views and habits.*

- Share your family's financial history—it often influences how we feel as adults about money (budgeting, spending, saving, debt, etc.). Some questions to get started might include the following: What is your first money memory?  
\_\_\_\_\_ How did you spend your allowance? What did your parents teach about money?
- \_\_\_\_\_ Are you and your partner spenders or savers?
- What are your and your partner's short-term and long-term financial goals (for example, paying off debt or student loans, buying a home, retiring early, or world travel)?  
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- \_\_\_\_\_ Do either or both of you currently use a budget?
- \_\_\_\_\_ What are your financial decision-making styles?
- \_\_\_\_\_ If one or both of you have been married before, what are your financial obligations to former spouses?
- \_\_\_\_\_ If one or both of you have children from previous relationships, what are your financial obligations for them?

## CREDIT HISTORIES AND CREDIT SCORES

*Talk openly and honestly about your credit history. Credit histories and scores will have a significant impact on what you are able to accomplish individually and together. If one or both of you have poor credit scores or histories, they become the responsibility of both of you after you are married.*

- \_\_\_\_\_ Find out your credit scores.
- Discuss any scars either or both of you may have and how you plan to address them; establish goals and tactics to achieve them.  
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- \_\_\_\_\_ How will you deal with it if one person brings more liabilities than the other to the marriage?
- \_\_\_\_\_ Establish guidelines now for how you will borrow, spend, and save.

## BUDGETING

*Create a new budget together.*

- Include all sources of income and all financial obligations. If you need something to initially work from, you can find worksheets online, or you can discuss these things with a financial representative, who not only can help you create a realistic budget but also provide an objective point of view.  
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- \_\_\_\_\_ List your sources of income.
- \_\_\_\_\_ List your expenses—all of them, from basic living expenses to entertainment expenses.
- \_\_\_\_\_ Make a plan for saving, investments, and retirement accounts.



## ACCOUNTS

*Some couples opt to combine everything and split everything evenly—income, monthly bills, and checking and savings accounts. Others keep everything separate. And still others choose a combination. It's important to discuss and establish your preferences early.*

- \_\_\_\_\_ Will all your accounts be joint accounts? Will they be separate accounts? Or will you keep separate accounts and have one joint account from which to pay bills?
- \_\_\_\_\_ If you apply for credits cards or loans, will they be joint or separate accounts?
- \_\_\_\_\_ How will you handle paying monthly bills? Will you sit down together and take care of them? Will you split the bills up and give one partner responsibility for one set and the other partner responsibility for the second set?
- \_\_\_\_\_ How will you discuss and manage unexpected expenses, such as car or home repairs, emergency medical costs, or veterinarian costs for a sick pet?
- \_\_\_\_\_ If either or both of you have children from a previous marriage, how will you handle emergency expenses for them, especially if a former spouse is unable to meet that financial duty?

## INVESTMENT AND RETIREMENT ACCOUNTS

*Discuss your personal investment styles and strategies (aggressive or conservative, for example).*

- \_\_\_\_\_ Determine whether investment decisions will be made jointly, even if accounts are separate.
- \_\_\_\_\_ Talk about your ideas and visions for retirement.

## CREATE AN ESTATE PLAN

*Consider writing your wills and living wills and designating your health care power of attorney right away.*

- \_\_\_\_\_ Typically, spouses are the beneficiaries. If you want to choose different or additional beneficiaries (children from a previous relationship, for example), spell that out formally and legally.
- \_\_\_\_\_ Designate your health care power of attorney—this is the person you select who will oversee any medical decisions outlined in your living will if you are unable to make those decisions yourself.

## TAXES

*Determine how your marital status will affect your taxes. Remember that if you are legally married as of December 31, the IRS considers you married for the full year, and you must file as either married filing jointly or married filing separately.<sup>3</sup>*

- \_\_\_\_\_ Decide how you will file your taxes—married filing jointly or separately. Review what gives you better tax results.
- \_\_\_\_\_ Change your W-4 form.
- \_\_\_\_\_ Will either or both of you need to refine your withholding amount? The W-4 form and the IRS website can help you determine this.
- \_\_\_\_\_ Make a list of tax-favored benefits at each of your places of employment to determine if there are any opportunities to realize savings.

## INSURANCE COVERAGE

*Review all insurance plans and benefits to determine not only if you have enough insurance but also if you have the right insurance.*

- \_\_\_\_\_ What life insurance coverage does each of you have? Have you changed the beneficiary names?
- \_\_\_\_\_ Decide whether your current life insurance policies are adequate and will meet your spouse's or family's needs.
- \_\_\_\_\_ If each of you has health insurance coverage through your employers, review those policies and premiums to see if there is any benefit to one of you moving to the other's plan, if the employer allows for family coverage.
- \_\_\_\_\_ Review and consider purchasing disability insurance. If you have it through your employer, make sure it meets your new needs.
- \_\_\_\_\_ Consider buying disability insurance on your own; an unexpected injury or event might prevent you from earning a paycheck for quite some time.



## THE UNEXPECTED

*Make the best plan possible for how you might handle unexpected or catastrophic events and expenses. Learning now how your spouse has managed emergency or overwhelming situations will help both of you cope if or when those challenging occurrences happen.*

- What happens if one spouse becomes seriously ill?
- What would your plan be if you have a child with special needs?
- How will you manage it if your home is destroyed by a fire?
- What will you do if your car is totaled in a natural disaster?

## HOPES AND DREAMS

*Do not forget to think and talk about everything else that might affect your finances.*

- Will you buy a house or move into another house?
- Will you have children? Will one spouse stay at home with the children at any point?
- What are each of your career goals?
- What are your dream vacations?
- What are your social expectations? Will there be regular nights out for each of you? Will one of you join a book club? Will you buy season tickets to the local professional or college football games? Are one or both of you involved in an expensive sport?

## FOR THE FUTURE

*Make a commitment to communicate actively and openly about money issues.*

- Establish guidelines now for discussing potential prickly financial questions and concerns.
- Set a schedule now for future conversations to talk about money and review your finances and financial status.

*Remember, we are here to help you each step of the way, so please let us know if you have any questions about these tips or the bigger strategies that are helping guide you to a potentially more secure financial future.*

## SOURCES:

<sup>1</sup> AICPA.org, 2021

<sup>2</sup> NEFE.org, 2021

<sup>3</sup> IRS.gov, 2022

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