

THE DIVORCE CHECKLIST

WHAT TO THINK ABOUT BEFORE THE DIVORCE:

GETTING YOUR DUCKS IN A ROW. Gather investment and bank statements, going back at least a year. Copy tax returns for the last 3 years (this gives you income history). Get a summary of your and your spouse's debts by running a credit report.

FIND A LAWYER, in case you require counsel later and to learn about state laws. There are 9 "community property" states. In those states assets acquired during marriage are owned 50-50. In the rest of the states, the court decides on the split percentage.

\$150-300

Starting cost for initial consult with a lawyer

OPEN ACCOUNTS IN YOUR NAME. Start putting together a pile of cash for emergencies and legal fees. And get a credit card in your name too. Do this now while household income is higher

WHEN YOU PULL THE TRIGGER

FIND THE RIGHT HELP. A mediator may save money, but if your finances are large or complex an attorney can help you avoid mistakes or costly concessions. This becomes very important if the split is not amicable.

DON'T BE MARRIED TO YOUR STUFF EITHER. Have a strategy. Even if you love your house, be open to giving it up to keep investments of equal value. Investments are liquid which is very important. You may even be better off selling the house and divvying up retirement funds, specify percentages vs. amounts, in case the market soars or falls.

HANDLE THE KIDS WITH KID GLOVES. Ensure the settlement is clear on how you'll handle costs associated with the kids..., like braces, camp, and college. If you'll receive child support or alimony, insist that the provider get life insurance to ensure payments.

ONCE YOU ARE FREE

ENSURE YOU ARE INSURED. If you were on your spouse's health plan, the next cheapest option is likely your employer's offering. However, if your ex's job has 20 or more employees, you may continue Health Insurance via COBRA. You should notify the plan administrator within 60 days of the divorce if you choose to do this. Your other option is to sign up through the Health Insurance Marketplace within 60 days.

36 months

How long after divorce you can stay on COBRA

REVIEW YOUR TAXES. Many things can change on your taxes after a Divorce. Make sure you seek a tax advisors help at least the 1st year after.

CREATE A PLAN FOR YOUR NEW LIFE. Both your goals and situation have changed. You may have to up your retirement savings, both to rebuild what you gave up and to cover continued higher living costs in retirement. Seek out the help of a competent advisor to help you reach a new game plan with YOU in mind.

FIX YOUR ESTATE. Draft a new will to prevent your ex from inheriting, and name new beneficiaries on retirement accounts, pensions and life insurance.