

# Money Matters: Talk finances before marriage

By Rick Gross



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While money is a leading cause of marital strife, a recent Ameriprise study found that nearly seven in 10 couples say they have good financial communication. Before wedding planning kicks into high gear, make conversations about your finances a priority. Taking the time today to talk through money matters can create a solid foundation for your collective future.

**Use the following six principles to guide your money conversations:**

**1. Open-minded.** Take turns sharing your vision for money management as a married couple. Listen carefully to what your future spouse says is important to him or her. Acknowledge your differences and build on your strengths. If your expectations don't match up, try to find a compromise. Some couples sidestep conversations about money to avoid feelings of hurt, fear, anger or remorse. Creating a habit of regular communication may help you avoid heated arguments, and can help ensure you're on the same page financially before you walk down the aisle.

**2. Honesty.** Financial secrets can destroy trust. Share the

specifics of your financial history and current situation if you haven't already done so. Your future spouse deserves to know if you're paying off college debt, or if you've made any financial mistakes in the past (and how you've rectified them). Disclose the good news, too. Divulge details about savings you've tucked away or a family trust that helps supplement your income so you both know the sum of where you stand.

**3. Forward-thinking.** Once you've shared your current situation and history, discuss your goals for the future. Be open about what your dreams are, but be ready to compromise. While you don't have to agree on everything, having shared goals (purchasing a home, saving for college if you choose to have children, retirement, etc.) allows you to combine forces on savings and gives you a road map for spending.

**4. Cooperation.** To avoid any miscommunications as newlyweds, discuss and assign responsibility for financial roles. Is one of you better at monitoring online accounts and paying bills? Are you both enrolled in a retirement account and taking maximum advantage of employer contributions? Who will be the primary contact for your financial advisor, tax professional or estate planner? Two is better than one when you're able to divide and conquer financial tasks, but make sure you're both in the loop on key decisions and money matters.

**5. Diligence.** Once you're married, make it a priority to update your financial documents. It takes discipline, but taking care of these housekeeping tasks right away protects you in case something unexpected happens. Several steps to consider:

- Update financial accounts, insurance policies and credit cards with any name changes, and if needed, add your spouse as an owner and beneficiary to those accounts.
- Consider combining your bank accounts if it makes

sense for your situation.

- Update or write your will and estate plan to reflect your collective wishes.
- Amend your tax withholdings, to make sure the right amount is withheld from your paycheck now that you're married. Consult your tax professional before making changes.
- Choose your health insurance. If both of your employers offer health insurance, carefully evaluate your coverage options and premiums for the best fit.

Like most things worth achieving, preparing for a lifetime of financial compatibility takes work. If you and your future spouse can commit to the same money values, it may help you create a solid financial foundation.

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