



Moving On

WHAT TO DO AFTER YOUR DIVORCE IS FINAL

Your divorce is finally final and you're ready to move on. It's understandable that you'll want to put all of the legal work, paperwork and distraction behind you and get back to living your life. Too many women make the mistake of not following through on critical post-divorce actions that can have significant financial consequences. All too often, women tell us they just don't know what they need to do.

Our Wealth Advisors have been through the divorce process not once - but many times with many clients. We want you to benefit from our experience and gain the confidence of knowing that you are prepared to move on to a brighter (financial) future.



TOP POST-DIVORCE ACTIONS TO TAKE NOW

Surprisingly, many of the post-divorce actions in your divorce decree don't require legal representation, meaning your lawyer won't be directing you or providing you with reminders. You and your ex-spouse will be responsible to get these things done.

Our Moving On checklist is designed to be very thorough. Not all of these actions will apply in every case, but our goal is to list all of the things you should consider so nothing is missed. It's ok to rely on others to help you. This is your time to discover your true value. It's your time to turn the page and move on to a better life!

DIVIDE PROPERTY | EXECUTE DECREE PROVISIONS

- Obtain an original certified copy of the final Divorce Decree
- Transfer title on real estate and revise names on the mortgage
- Transfer titles on cars and notify auto insurance carriers of the changes
- Confirm the Qualified Domestic Relations Order (QDRO) is prepared, entered, Court certified, and accepted by the fund administrator and/or account custodian
- Confirm the required valuation date was used, then track all QDRO asset transfers

CHILD SUPPORT ACTIONS

- Set up all support payments on an automatic payment plan
- Only accept support payments in a form that is documented/tracked (i.e. not cash or services)
- Notify employer if you owe any payroll deduction related support payments
- Establish a record-keeping system to track all shared costs (i.e. children's camps and medical costs)
- Document any issues that arise with respect to payments or visitation
- Confirm ex-spouse secures support payments with life insurance

TAX-RELATED ACTIONS

Tax management is often overlooked, and doing so can result in penalties for underpayment or lost tax savings opportunities. Many of the following actions will require the assistance of a CPA.

- Determine proper tax filing status for current year and subsequent years
- Review tax withholding in light of new support payments or receipts
- Notify your employer of any necessary payroll exemption changes
- If taking a taxable QDRO distribution, determine any income tax and withholding implications
- Review liquidity to determine viability of maximizing employer retirement plan contributions

ESTATE PLAN ACTIONS

- Meet with an Estate Planning Attorney to execute new plan documents
- Execute a will and trust documents to name guardian(s) for children and beneficiaries
- Revise all beneficiaries of life insurance and retirement accounts according to your new plan
- Revoke, in writing, all powers of attorney that you may have previously granted to your spouse
- Appoint a Healthcare Power of Attorney
- Appoint a Durable Power of Attorney
- Update your HIPAA Authorization and negate prior HIPAA release forms that named your spouse
- Confirm all your ex-spouse's beneficiaries are in line with the divorce decree
- If a business ownership was part of the settlement, confirm proper changes have been made to Buy/Sell Agreements and Key Man Insurance



ACTIONS THAT MAY REQUIRE PROFESSIONAL GUIDANCE

In addition to the professional assistance required to complete some of the actions mentioned before, you may also want to enlist professional guidance to accomplish the following:

- Determine how to take a QDRO distribution - leave assets in the plan, rollover to an Individual Retirement Account (IRA), or take a taxable distribution
- Open accounts as required to receive QDRO assets
- Document cost basis for all taxable assets transferred to your name
- Understand potential taxable gains tax prior to liquidating any assets
- Review your investment asset allocation to determine appropriateness in your new situation
- Consider making IRA contributions – alimony qualifies as compensation for nonworking spouses
- Review Medical Savings Account balances and consider current year contributions
- Prior to filing your tax return, determine whether you'll need to obtain IRS Form 8225 confirming your ex-spouse agrees to your taking a child dependency exemption
- Consider adding or increasing your insurances – disability, long-term care, umbrella
- Determine whether mortgage refinancing would save you money

ACTIONS TO TAKE OVER TIME

Notify Parties of your Name Change and/or new address: there's a long list of organizations to contact which may include the following. Additionally, if your ex-spouse is executing a name change, we suggest that you confirm with them that the changes were made.

- Employee Benefits at work
- Social Security Administration, and obtain a new Social Security card
- Motor vehicle department, and obtain a new Driver's license
- Banks
- Credit card companies and other creditors
- Safety deposit box location
- Post Office
- Brokerage firm(s)
- Insurance Companies
- Children's schools
- Passport
- Cell phone providers
- Utility providers
- Doctors

Obtain a copy of your credit report to review your credit score and confirm closing of joint accounts

Understand your Social Security benefits entitlements

Maintain ex-spouse's social security number and a marriage certificate for future benefit claims

Remember, you don't have to go this alone. We are here to help you.

For more information, or to speak to a financial advisor who is a divorce specialist, please contact Lisa Poff.

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