

# Divorce Financial Planning Checklist

In order to make sure you're covering all your bases, consider walking through the checklist below before and after the divorce process.

Getting your finances in order before the process begins may be a smart move that you'll thank yourself for later.

## Before Divorce

- Schedule a meeting with a divorce attorney.** You'll very likely need an advocate who knows how the process works. Be prepared to discuss your current financial situation. You'll also want to begin discussions on alimony, child support and the division of assets.
- Take inventory of assets.** Begin by organizing important documents and consider making photocopies of items such as:
  - Birth certificates
  - Social Security cards
  - Passports
  - Driver's licenses
  - Bank account
  - Retirement plan statements
  - Insurance policies, including life, health, homeowners and renter's insurance
  - Auto, boat and RV policies, if applicable
  - Tax returns from the last five years
  - Any outstanding bills or upcoming obligations
  - Property deeds
  - Vehicle titles

- A list of household goods, including assets stored in safes or safety deposit boxes
- Make a list of all income and expenses.** You need to know where you are currently at financially in order to create a new financial plan for going forward.
- Check with your attorney on closing any joint banking accounts and credit cards.** He or she can advise on how best to divide these funds. They may recommend placing assets from a closed checking account into an escrow account until the divorce is settled.
- Close any shared credit cards.** Each party will be liable for any debts incurred, so it's best to close these accounts and minimize the risk to personal credit during this period.
- Freeze joint brokerage accounts.** Your attorney can recommend the best course of action for this. A court order may be required for this to occur, as joint accounts usually grant both parties equal access. Additionally, notify your consultant in writing that you are separated.
- Begin thinking about the division of retirement plans.** Ask your attorney and financial planners for their advice on pension, retirement plan and 401(k) compensation.
- Consult with your attorney on changing beneficiaries on life insurance policies.** Also check to see who has medical power of attorney.
- Request a copy of your credit report.** This way, you'll know where you stand before the divorce and can keep a watch on it.

# After Divorce

- If you wish, start the process to change your last name.** You'll begin the process with the Social Security office. Once legally changed, you'll also want to change the contact name on:
  - All utility bills
  - Insurance policies
  - Credit and debit cards
  - Contact your bank and employer to ensure they're aware of the changes
- Review wills and estate plans.** Now is the time to make changes on any wills or estates you have in place.
- Consult with your financial planner and accountant on a new tax filing status.** You may have options to file as "head of household." If this is the case, you'll need to update your W-4 with your employer.
- Consult with your financial planner on investments that fit your new lifestyle.** He or she can help you identify goals for the future and set a plan to meet them.

McClellan Wealth Management is here to help through the stress and difficulties of divorce. Working with our team of professionals, we can help guide those going through the process, and ultimately re-establish their new life.

Call us today at (205) 208-9868 or visit us online at [www.mcclellanwealth.com](http://www.mcclellanwealth.com).

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