

Getting Married: Talking About Money

Getting married is not only a personal commitment, it is also a very special financial arrangement – maybe that’s why so many marriage vows include the phrase “for richer or poorer.”

While some couples choose to keep their finances separate for day-to-day spending and even for retirement planning, financial goals and behaviors are likely to play a central role in any marriage. In addition, different views about money can also be a leading source of conflict in a marriage.

There are a number of topics that every couple should consider when beginning a life together. Above all, research has shown that keeping an open line of communication about money is a proven way to minimize financial stress and conflict.

Talking about money can include anything from setting long term financial goals to setting clothing budgets. Communication topics should include:

- ▶ Setting joint financial goals. Setting financial goals is key to staying on track with a budget, achieving financial success, and to be able to revise goals if needed.
- ▶ Developing and maintaining a monthly budget. Once you have prioritized your monthly budget goals, a monthly meeting can be effective for sticking to it. Many experts suggest a monthly meeting to review the prior month’s finances.

Are there spending leaks that need attention? This time should be dedicated exclusively to financial topics – not over dinner or during a television show. Our interactive budget calculator is an excellent tool for planning and assessing your budget.

- ▶ Understanding current assets and liabilities. Even if you and your partner decide to keep separate accounts, marriage is a pooling of resources *and* liabilities.

In other words, your partner’s credit card debt or student loan debt is really your debt and vice versa. Some experts even recommend sharing credit reports before getting married. Remember – if one partner has a low credit



score, that will affect your ability as a couple to get favorable loan rates in the future. How will you jointly work through any problems to meet your financial goals?

- ▶ Discussing each other’s family history with money. Understanding your own and your partner’s family background can be an excellent starting point for uncovering financial attitudes.
- ▶ Understanding each other’s financial expectations. Spending, saving, and charitable giving behaviors in “real life” may be very different from the expectations set during college or graduate school.
- ▶ Deciding together about joint versus separate accounts.
- ▶ Staying flexible. If a financial decision is not working out as intended (savings goals are not being met, for example), don’t be afraid to try something different.
- ▶ Remembering that help is available. Before financial conflicts become lasting resentments, seek the advice of a financial planner. Sometimes an objective opinion is the best way to ensure continued open communication.

See our materials on “Getting Married: Planning for the Unexpected” and “Estate Planning” for additional topics to address with your partner.