



MAKING CENTS

FINANCIAL TIPS FOR THE NEWLY ALONE

-John P. Napolitano, CFP®, CPA, PFS, MST, RLP®



Whether the result of separation, divorce or death, suddenly going solo can come as a shock, both emotionally and financially. Still, you could benefit if you pay attention to tips about how to financially navigate this new road you're now traversing.

First, make sure you have all important documents on file, including your birth certificate, will, Social Security card, insurance policies, stock and bond certificates, investment statements, retirement plans and any mortgage papers. Also make sure you have any divorce/separation agreements or copies of your spouse's death certificate, if applicable.

If your former partner had the responsibility to pay bills and balance the checkbook, you'll have to take over the financial reins of your solo finances. Chances are you'll get a handle on what needs to be done without much effort. But remember, there is help available in the form of adult education courses, software programs, a financial adviser or possibly a trusted friend or relative.

If a distribution of property was part of a divorce agreement or court order and you got the house, bank accounts or other assets, make sure you re-title all property. That also goes for those who are widowed. The title on your deed should be changed, with the help of

a lawyer, as should the name on all securities, insurance policies, and any other accounts either held jointly or in your deceased spouse's name. This is where those death certificate copies will be necessary. Go down the list and contact all institutions where accounts are held, then proceed as swiftly as possible with the paperwork required to transfer titles to your name.

"...make sure you have any divorce/separation agreements or copies of your spouse's death certificate if applicable.."

You may want to re-examine the amount of life insurance coverage you have in place. Now that you're alone, what you carried as a couple may be excessive. And it's a good bet you'll change the name of your beneficiary. Also, evaluate the need for long-term-care insurance.

Next, obtain copies of your credit report and don't be shy about contacting the reporting agency if your rating as a couple was brought down by your former partner. Under the Federal Fair Credit Reporting Act, you can write a 100-word or less explanation to the reporting agency about your present circumstances and how former credit problems were not of your doing - if that is true.

Before you make any drastic financial changes, consider talking things over with family, a professional counselor and financial adviser who will be able to help you through the process of establishing this next phase of your life.