

Key Issues To Consider in Divorce

By Carol Ann Wilson

Key issues you must consider, regardless of the level of agreement with your spouse.

1. The laws and taxation relating to divorce differ from state to state.
2. Certain assets will be more or less valuable due to the tax consequences. What may appear to be a fair division can become very lopsided due to taxes.
3. One of the largest asset for most couples is their house. Keeping the house has major financial consequences now and when it is sold in the future.
4. If there is a large capital gain on the family home, the final agreement can be structured so that the maximum exclusion can be taken.
5. Another major asset for most couples is the retirement fund. The rules regarding the tax issues and division of retirement funds in a divorce are very complex and need to be looked at carefully.
6. The area of dividing retirement plans in a divorce has more malpractice traps than any other area. Make sure you get the best advice in this area.
7. The custodial parent will find that kids really do cost more as they get older.
8. Spousal maintenance should be protected by life insurance.
9. Accepting COBRA health insurance coverage may not be the wisest decision.
10. Collaborating for a settlement with your spouse may be the least expensive, least time-consuming, and most gentle way to get divorced.