

Financial Stages of Separation: Checklists

Preparing for Financial Separation

Parents should start addressing financial issues at the same time as they find themselves considering separation. At this stage your task is to get yourself up to speed on all family financial matters.

- Obtain information about separation and family law, including property division laws.
How will your property be divided?
- Review the specifics of all financial accounts.
Make sure you have access to all information: account numbers, financial institutions, insurers, your tax accountant, important documents and contact information for each.
- Make copies of all relevant documents and computer files with financial data for yourself.
- Meet with a financial planning professional and a tax accountant to discuss the financial and tax implications of decisions you will need to make as you plan for separation.
- Make sure you have access to savings of your own in the event that you must suddenly rely on your own resources to meet household and personal expenses.
- Make sure you have a credit card in your own name. If not, apply for one.
- Begin an inventory of all separately and jointly-owned assets.
Include investments, cash, vehicles, real estate and furniture.
- Obtain appraisals of assets such as art, antiques, fine jewellery and other tangible items.
- Make a list of all outstanding debts.
- Verify the contents of any joint safety deposit box.
- Pay down the balance of as many bills as possible.

During Separation

This is the time you should be moving toward separating the financial ties with the other parent. The goal is to create two financially separate households from one.

- Seek information from a Family Justice Counsellor or Child Support Officer re: child & spousal support, access, custody, guardianship.
Private family mediators can assist with all the above as well as property and asset division.
Seek legal advice from a family lawyer about support, property and asset division and options to litigation.
- Each spouse generally needs to seek legal advice from a separate lawyer.
- Consider revoking any power of attorney documents that name your spouse as your agent.
- Contact banks, investment companies and brokerages where you and your spouse have joint accounts.
Ask what actions, if any, you can take to protect your interest in those accounts.
- Contact creditors with whom you and your spouse have joint accounts.
Pay the balance and close the accounts, if possible.
- Make copies of all legal, financial and other important documents.
- Take your personal documents — birth certificate and passport, for example — out of joint files and create your own file.
- Contact your insurance provider to review auto and homeowners or renters policies.
- Work with your spouse to negotiate a division of assets, custody of children, child support and visitation rights.
If you want child support or spousal support, make a monthly and annual expense budget — including food, medical care, housing, clothes, day care, school supplies and activities, and other relevant expenses — that could be used to support your case.
- Discuss and decide with your spouse who will take the dependent tax exemptions for children, and claim the Child Tax Credit/BC Family Bonus.
- Decide on your date of separation (triggering date). The date of separation can be very significant, as it may be used in determining the value of assets, and in determining if a particular debt can be considered a family debt, or if a particular asset can be considered a family asset. It can also be used in determining each person's entitlement to pensions, and exactly when the parents may apply for a divorce decree under the no-fault clause.

After the Separation/Divorce is Final

It's time to wrap up the details of the relationship.

- Change names on documents, as necessary, to reflect the division of assets decreed by your Separation Agreement or divorce decree.
 - House deeds
 - Vehicle titles
 - Stocks, Bonds
 - Bank accounts

- If you changed your name contact your service providers to make the change on legal, financial, business documents.

Contact Vital Statistics to identify documents where you may need to make changes.

- Review health, life and disability insurance coverage.

Replace any lost protection. Consider changing beneficiaries on policies you own unless your separation agreement requires you to continue to name your former spouse.

- Review your will and other estate planning documents.

If you have no will, prepare and execute one.

- Contact your employer to make changes to benefits as needed that reflect your requirements as a single person.

- Obtain advice about filing your first tax return as a single person, particularly if you were still married at the end of the previous tax year.

- Collect and organize your important legal and financial documents.

