A financial planner is an important resource for all of life’s milestones and for some, that includes the difficult topic of divorce. Here’s what you should be prepared for.

For those individuals going through a divorce, it is one of the most difficult challenges you can face. In addition to the excess stress, pain and frustration, there is a difficult task of separating assets and liabilities and what that means for your future.

Having a trusted financial advisor before, during and after the divorce is important. If you and your spouse share the same advisor, he or she can continue to help you both through the divorce.

Be sure the advisor, however, is well-versed in both the legal and tax implications of the division of assets. Mistakes made here can be harmful and take a lot of time to fix. That’s why it may make sense to work with a financial advisor who is also a Certified Divorce Financial Analyst (CDFA).

A CDFA is a financial professional skilled at analyzing data and providing expertise throughout the divorce process. During separation, a CDFA can offer guidance and perspective to assist the couple in ways to better handle their finances together.

If divorce becomes inevitable, the role of the CDFA professional is to assist the client and/or his or her attorney to understand how decisions he or she makes today will impact the clients financial future.

Whether there is reconciliation or divorce, it’s important to surround yourself with advisors who can help you navigate the journey ahead. Be sure to avoid making hasty decisions about finances in the heat of the moment that you may regret later. Your team of advisors, including a tax advisor, attorney and financial professional, can offer reasoned, objective advice and counsel along the way.

In marriage, one spouse is commonly responsible for handling the finances, creating the possibility of a significant learning curve for the other at handling finances on their own. If you aren’t involved in managing household assets or lack an understanding of your money situation, you’ll be in the dark when negotiating the financial terms of the divorce and may agree to something you’ll regret later.

Locating assets, including individually and jointly owned property, and understanding what your own will put you in a much better place for fair and equitable distribution of the assets and tax burdens.

It may be as simple as asking your spouse to be more involved in the family finances or just reviewing all the accounts to get a better handle on matters. If you don’t know where to begin, contact a tax or financial professional to help you understand what you own.

Everything you do today will impact you down the road. Divorce, like so many things in life, is a journey not an event.

With the emotions that are so common in divorce proceedings, you can’t always expect the other spouse to act rationally. That’s why it’s important to get things in writing. You can’t possibly know what the future holds, In another year, you or your then former spouse may have a new family with new priorities. Promises made, while perhaps well-intentioned, may not be kept. Handshakes simply won’t do.

Financially speaking there are many items that need to be considered when going through a divorce. According to the Institute for Divorce Financial Analysis (CDFA), here are some of those items to include:

* An updated household net worth statement to see the full picture
* Understanding the short term and long-term effects of dividing property
* Analyzing pensions and retirement plans
* Determining if you can afford the marital home, and if not, what you can afford
* Create a new budget strategy to plan for independent monthly income and expenses
* Explore tax considerations, implementing tax-efficient solutions where possible.
* Make adjustments to investments based on risk tolerance and income needs
* Develop a personal income plan to map out future goals
* A continued growth of knowledge and financial literacy throughout stages of life

Following the divorce, a CDFA can help manage a client’s expectations of their financial future through a financial planning process that includes talking through retirement objectives, helping to identify ideal lifestyles for the client and developing a new budget. And a new way forward.

As a Certified Divorce Financial Analyst (CDFA), I use my knowledge and training to educate attorneys and clients on complex financial matters that arise before, during and after divorce proceedings. Being driven by my own personal experience, my specialized trainings allows me to act as an expert witness throughout the divorce process and in the courtroom, to help the parties involved reach an equitable agreement.

If you’re looking to build the best team for your divorce proceedings, look no further!