

Blog

Money Surprises That Can Happen in a Divorce

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It's no surprise that with divorce comes financial restructuring. But when you're separating assets and budgeting for solo payments, you don't want to be caught off guard by unanticipated costs. A [recent article](#) highlighted some often overlooked areas.



- **Check on tax implications.** If you sell the family home or a stock portfolio, there likely will be taxes owed. "Generally, the first \$250,000 in real-estate capital gains are considered tax-free (\$500,000 for a joint return)," noted the article. In addition, you also may owe taxes from transfers of assets in a retirement plan, depending on how the money is distributed. Plan accordingly.
- **Set a realistic budget for housing.** Whether you're the one who keeps the house, or moves into a new place, make sure you have accounted for all of the expenses. Renters may need to pay brokers' fees and security deposits and find money for new furnishings. Homeowners will need to keep up the maintenance of the house, as well as pay taxes, utilities and homeowners insurance.
- **Anticipate all child-related expenses.** While child support is standard, there are other expenses that could surface, noted the article. These include extracurricular activities, tutoring, and even college tuition. Couples that negotiate these expenses during the divorce process will have a more seamless financial relationship—and fewer surprises—going forward.
- **Beware of your spouse's money secrets.** Your spouse may be hiding money, have a hidden spending addiction, or may have taken secret loans against stock portfolio or retirement accounts. Take care to make sure you aren't surprised by your spouse's spending habits or debt, as both will impact your finances during and following divorce.

There are many surprises that can pop up during a divorce. Help make the process easier by working with an experienced family law firm in Bucks County. Call us at 215-340-2207, or email info@bucksfamilylawyers.com.