FOR LOVE AND MONEY:
150 FINANCIAL TIPS FOR COUPLES

Kathleen Gurney, Ph.D. and
Ginita Wall, CPA, CFP
With Jessica Richman

Table of Contents

To order additional copies of **FOR LOVE AND MONEY: 150 FINANCIAL TIPS FOR COUPLES**, send $5 and a double-stamped self-addressed long envelope to Financial Psychology Corporation, PO Box 867, Sarasota, FL 34230.

Do you have a favorite tip that we didn't include in this booklet? Drop us a line at ***info@financialpsychology.com*** *or Box 867, Sarasota, FL 34230.*

Introduction

Money often becomes the great divide in a relationship. Couples argue about money more than almost any other subject. Though the combination of love and money often causes friction, it doesn't have to be that way. Instead of creating conflict with the ones we love, money can be a way to express our highest values, and to provide the most comfortable life we can for the people we care about.

This booklet is designed to help you, as a couple, improve your relationship with money. We hope you will gain some new ideas for every stage of your relationship, whether you are dating, living together or married. In addition to tips about joining your financial lives and relationship skills, we also have included a bonus section to help you cope with the special challenges of remarriage.

While dating

1. Learn to have fun without a lot of money. Biking, roller-blading, a walk in the park, a home-cooked meal, free concerts, or an ice cream break are just some of the many opportunities to enjoy time with your lover without spending a lot of money.

2. Don't try to buy affection. Love is bought with personal value: honesty, integrity, consideration, kindness, and cheerfulness. Trying to buy love with money is a surefire way to lose both the money and the true respect of your lover.

3. Pay attention to your partner's financial habits. Just because your beloved is a lot of fun and a good kisser does not mean that she knows anything about money. Before you commit yourself, learn how your partner handles the big issues of real life, including financial matters.

4. Don't overreact to financial problems that occur early in your relationship. View them instead as opportunities to learn more about your partner before you commit yourself.

5. Watch for signs of financial irresponsibility and irrational decision-making: gambling, procrastination, excessive debt, unpaid loans to friends, credit denials while shopping, and so on. Don't ignore warning signs that may indicate a larger problem.

6. Ask yourself the hard, factual questions about your partner: How much does she own? How much does he owe? Has he had major financial crises? What are her career prospects? Joining your lives together has financial as well as romantic implications.

7. Don't compare credit histories by candlelight. But do use the Internet to find out more about your partner. There are many websites with information on property, income, debts, and credit. Many women (and men) have been taken for a ride by con artists because they didn't verify "facts" related in moments of intimacy. Don't be afraid to look for the truth.

8. Don't feel guilty about researching your partner. Learning new things about each other is not a violation but an extension of your love. If your partner tries to hide his true financial (or other) self from you, he is merely revealing his lack of trust in himself and in you.

9. Remember that no one is perfect. Use the information you gather to make an informed decision, not to let your critical nature keep you from loving a wonderful person with some mistakes (of whatever size) in his past.

10. Don't try to change your partner. Women, especially, tend to think that they can change their beloved given enough time and attention. This is simply not true. If there is something about your partner that you do not like, you must learn to accept it—or leave.

11. Speak up now. The tension caused by unresolved money issues is like interest on an unpaid debt: it keeps compounding until you deal with it or go bankrupt.

12. Look for patterns. People are generally motivated by the same fears and drives in many areas of their lives. Look for non-financial blind spots to get clues about potential financial problems.

13. Openly discuss your money philosophy with your partner. Ask him: How do you deal with financial risk? Is it important to always pay cash? How much savings do you need to feel secure about the future?

14. Learn about your partner's money habits. These are the little things that won't cause permanent damage, but can be either enlightening or annoying. Does your partner clip coupons, buy on impulse, stiff waiters at restaurants? After you know where your partner stands on the big issues, look for the squeezing-the-toothpaste-from-the-middle habits that can either inspire or exasperate you.

15. Discuss your dreams and goals with your partner. Almost everything you will do during your lives together will cost money. Make sure your partner's goals are compatible with yours.

16. Discuss your money values with your partner. What is the most important thing that money can buy, after basic necessities? Is it comfort, prestige, variety, self-actualization? Discuss these differences now so you will better understand what motivates your partner.

17. Discuss the values you want to instill in your children. Make sure both you and your partners can clearly articulate what you consider important. Formulating a financial philosophy will help to maintain consistency in your children's upbringing.

18. Pay attention to warning signs. Every mature adult brushes his teeth, puts away his laundry, and understands what money can and cannot buy. Your partner should be able to live on his own, pay his bills, maintain reasonable credit, and have a regular job. If he does not presently, and has not in the past, met these basic standards, he has significant problems with money.

19. Don't get financially or legally entangled with someone you don't know very well. Plenty of starry-eyed lovers have signed documents without reading them, loaned money, or delivered unmarked packages for their

lovers and found themselves in tremendous legal or financial trouble. Don't let this happen to you.

20. Test your partner with small amounts of responsibility before joining your lives together forever. Care for a pet together, have her housesit for you, ask him to run an important errand for you. If your partner isn't reliable enough to perform these basic tasks, he likely is not going to be a responsible money manager.

21. Explore your partner's attitude toward careers, his and yours. Is he fulfilled by his work, or is it just something that pays the bills? Does she have clearly identified goals and plans for the future? Does he believe that a woman's place is in the home? Does she ignore (or try to dominate) your career goals?

22. Think before you ink. It's much easier to stay out of something than it is to get out of it. Consider how your decisions will affect you in the future. Will you be happy with the situation in two months? Two years? What can go wrong? What can go right?

23. Shop carefully for an engagement or wedding ring. Most people don't buy jewelry often enough to be informed consumers. Educate yourself about diamonds and the jewelry market, visit only established dealers, and consider a second appraisal before you purchase a ring.

Living Together

24. Don't move in by degrees. Some people leave their toothbrush one night, then a few changes of clothes, and before they know it, they've moved in. Have a discussion with your partner about leases, household expenses, and other important matters before you make your decision.

25. Don't combine your finances with your partner by default. Choosing to cosign a debt or buy real estate with your partner is a huge decision. Carefully consider of all of your options and their possible consequences before you act.

26. Know your legal position. Financial arrangements between unmarried individuals are governed by contract law. In any transaction, you must state your intentions clearly because there is no default "marriage contract."

27. Create a written living-together agreement. Clarifying your intentions in writing will help you to avoid misunderstandings and costly disagreements later, and in most cases, your agreement will be enforceable in court.

28. Agree in writing to important provisions of your life together. Living together agreements can include provisions for anything you would like to document: separating or combining income or assets, care of children or other dependents, joint purchases, joint business or personal ventures, and anything else that is not of an extremely personal or sexual nature.

29. Make your agreement legal. Include a severability clause in your contract, so if one part of your agreement is ruled to be invalid, the rest of the agreement can still stand. Add an arbitration clause to provide a mechanism for resolving disputes without going to court.

30. Revise your living together agreement as your life circumstances change. If you start a business, purchase a home, or have a financial setback, revise your agreement to reflect your new situation.

31. Be aware of common law marriage. If you live in a state that recognizes common law marriage, state in writing whether or not you intend for your relationship to fall under this statute. Consult with an attorney about the ramifications of this decision.

32. Agree before you borrow. Determine in advance who will be responsible for debts incurred during the relationship. In the absence of an agreement, each partner is generally responsible for debts for which she has signed, often without recourse to the other signer for repayment.

33. Be generous with small things. Don't try to legislate trivialities like who will take out the trash or what day of the month the bills will be paid. Allow flexibility for the chores and joys of everyday life together.

34. Determine the disposition of the home in case of a breakup. Decide the circumstances and the terms under which either partner can continue to live in the home. If you own the home jointly, determine how the proceeds will be divided in the event of a sale.

35. Cool off before you take off. If one or both of you is seriously considering ending the relationship, remove yourself from the situation — by taking a vacation or staying at a friend's house, for example — for at least three days before making a final decision.

36. Review your health care options carefully. Some employers offer an option to cover domestic partners under the employee's health insurance. This may result in lower overall premiums during the relationship, but be careful to acquire your own insurance if you later split up.

37. If you decide to purchase property with your partner, consult an attorney about how to take title. Sole ownership, joint tenancy, and tenancy in common create different legal rights and responsibilities that you both need to understand before you buy.

38. Don’t be too generous with credit. If you sign for a joint credit card, or authorize your lover to use your card, you are legally obligated to pay all the bills, even if you opposed the purchases.

39. Claim an exemption on your tax return for your living partner, if possible. If he earned less than $2,900 in 2001, you may claim a dependency exemption if you provide more than 50 percent of his support and he lived in your home during the entire year.

For Newlyweds

40. Time your marriage to minimize your taxes. If both you and your fiance are employed, with the “marriage penalty” you may pay more taxes as a married couple than if you were single. However, if one spouse earns most of the money, you’ll enjoy a “marriage bonus,” paying less tax than you would if you had remained single.

41. If you are paying for your own wedding, pay cash instead of going into debt. Have the courage to care more for the reality of your joint finances than the symbolic ritual of a lavish party. Consider having a small get-together to memorialize your love, and throw a larger party when you can afford it.

42. If you receive monetary gifts on your wedding day, don’t spend them all. Set aside as much as you can to invest for a shared dream, such as a house, business, or children.

43. File joint income tax returns in most cases. Married couples filing separately are barred from many deductions and credits. File separately only if you suspect that your spouse is evading taxes and do not want to sign a joint return, or if your attorney advises you to keep your income separate to clarify child support issues.

44. Discuss your insurance needs. You may need to purchase life insurance for the first time. Also, you will need to review your respective health insurance policies to ensure that your coverage is inclusive but not excessive or redundant.

45. Review your investments. Determine if you need to change your investment allocations to meet your joint goals.

46. Work hard to keep your marriage going, for your emotional *and* financial sake. Divorce can destroy years of financial progress with a stroke of the pen.

47. Consider using a prenuptial contract. Rather than viewing a prenup as an unloving, cynical invitation to divorce, regard it as a way to control your

destiny. Without a prenuptial agreement, changes in the law can change the terms of your marriage contract at any time, without your knowledge or consent.

48. If you sign a prenuptial agreement, make it enforceable. Attach financial statements to your prenuptial agreement to adequately disclose each party's financial condition, and have your attorney review your prenuptial agreement to be sure that your interests are being represented.

49. Don't play legal games that will keep your partner from getting what she deserves. Your prenuptial agreement should not be one-sided or unfair. Not only are such tactics immoral, but they may render the agreement unenforceable.

50. Live by your prenuptial agreement. If you don't manage your finances in accordance with terms of the agreement during your marriage, it may not be enforceable when you need it most.

51. Consult an attorney to ensure that there are no conflicts between your will, living trust, prenuptial agreement, outside contracts, and property title. Death, disability, and divorce are stressful enough without complicating matters with unnecessary legal issues.

52. Keep separate property separate. If you would like inherited or gifted property to be considered separate property, don't commingle the asset or any of its proceeds with your joint funds.

Joining Your Financial Lives

53. Formulate a structure for your financial lives. Who will be responsible for paying bills, filing invoices, balancing the checkbook, and researching large purchases? Create a division of labor that suits your talents and needs.

54. Create a record-keeping system you both can live with. Sit down together to decide who will do what, where you will keep records, and how much of your financial lives you will combine.

55. Devise a budget. Discuss your combined income and agree on what percentage of whose paycheck goes to the paying of which bills.

56. Understand the challenges of a two-paycheck family. Is it your money, my money, or our money? Decide whether to pool your money and whether to keep any portion of it separate.

57. Consider an unequal split. If your incomes are disparate, it might be fairer to split household expenses proportionately to income instead of 50-50.

58. Consider using the “yours, mine, and ours” system of financial management. Have a joint account for living expenses and joint purchases, and have separate accounts for whims, emergencies, or simply a feeling of ownership and security.

59. Maintain some individual funds, even if the rest of your finances are joined. Everyone should have a special fund of his own for emergencies or self-determined purchases.

60. Document large purchases or gifts so that it will be clear who actually owns the item in case of later dispute. A simple handwritten note signed by both parties is sufficient.

61. Exchange information with your partner about the location of important papers, bank accounts, advisor phone numbers, and so on. In the event of an emergency, your partner will be able to take constructive action.

62. Create supporting legal documentation to support your union. Create springing durable powers-of-attorney for financial and health care matters for each of you, update your wills, and check the beneficiary designations on life insurance, pension plans, IRAs, and annuities.

63. Don’t become dependent on someone without having a financial back door. If this sounds relentlessly pessimistic, remember that infatuation is a powerful force that can blind you to the reality of your situation. Realize that not every relationship works out, and you need to have a way to survive financially if your love ends.

64. Insist on maintaining credit in your name. Have at least one credit card in your name, and use it occasionally, even if you later pay the balance in full. If you need a co-signer, ask someone other than your partner to sign, such as a parent, sibling, or friend.

65. Don’t sweat the small stuff. Doing work you enjoy and spending your life with someone you love are your highest priorities. Everything else about your finances is negotiable.

66. Celebrate your differences. If one of you is a saver and the other a spender, create a budget that allows for both. If your spouse is a bargain-hunter, put him in charge of the spending part of the budget, while you invest the savings.

67. Coach each other. A financial coach helps you keep your career on track, figure out where you want to go financially, and a sounding board for ideas. Support your mate in your financial discussions, as you each explore your financial aspirations.

68. Confide the financial worries that stress you. Keeping stressful financial problems to yourself is destructive to a relationship. Confide your worries to your mate and ask her to help you deal with them in a practical manner.

69. Develop individual goals. Though you go through life together, you are two individual people with individual hopes and aspirations. Be clear about what you want out of life for yourself.

70. Rank your financial priorities. Where your individual goals coincide, make a list of the steps it will take to accomplish those goals. Where your goals collide, figure out which you can live without and how to mesh the rest into your financial relationship.

71. Develop common goals together. Working together for a dream, whether to build a home, start a business, or move to a new area, will help each of you grow individually and in your love together.

Starting a Family

72. Plan financially for children before you have them. Ask your friends who are parents how having children changed their finances, and jot down prices from the grocery store, the children's clothing shop, and the furniture store to determine how much your bundle of joy will actually cost you each year.

73. Determine the lifestyle you will enjoy with your family. Do you want to live in the country, suburbia, or a big city? How many children do you want to have? Will one spouse keep her current job or raise children full-time or part-time? What kind of changes do you need to make to get where you want to go?

74. Review your insurance coverage for the birth. Check your health insurance to determine how much of your childbirth expenses are covered, and check your disability insurance to see if it covers you or your spouse while on maternity leave. After Junior is born, include him on your or your spouse's health insurance

75. Take a number. You must obtain a Social Security number for your child if you want to claim them as an exemption on your tax return.

76. Adjust your withholding. When baby makes three, file a new W-4 with your employer to reflect the additional exemptions and credits for which you may qualify, thus lowering your withholding and giving you more money to meet your added expenses of raising Junior.

77. If you haven't prepared a will yet, with a child to protect it is now imperative to do so. Ask a friend or relative if they would be willing to be

the legal or financial guardian for your children after you're gone. Then, update your will to specify who will care for your children if anything happens to you.

78. Don't buy life insurance on a child that is greater than the cost of funeral expenses. No matter what they say in TV ads, the only people who need life insurance are those who provide support for others. Invest the money you would have spent on premiums in your child's name.

79. If one spouse will stay at home while the other works full-time, discuss the model you will use for your finances. Will you pay the homemaker a salary for her services? Have a spending limit for purchases, like a corporate buyer? Create an arrangement that shows respect for the most important job on Earth: raising a wonderful human being.

80. Keep up your career skills. The spouse who stays home should ideally work part-time to maintain skills and contacts, go to school part-time to improve financial prospects, or have enough funds set aside to provide for her survival needs. For your own protection, maintain your skills so you can afford to raise the children alone if necessary..

81. Invite grandma and grandpa to visit. Grandparents have a wealth of practical knowledge about babies, often bring presents, and they baby-sit for free.

82. Obtain hand-me-down toys from relatives and friends. Many toys, such as stuffed animals, blocks, and puzzles, have provided enjoyment for children for centuries. Try to get these staples for free instead of paying retail.

83. Avoid buying expensive clothing for young children. Your little darling may look spectacular in a Laura Ashley dress or a Brooks Brothers blazer, but baby clothing will be worn only a few times before your child outgrows it. Buy a more practical garment and invest the difference for your child's future.

84. Talk to grandma and grandpa about your children's futures. If your new child has an interest in the estate of your parents or your spouse's parents, ask them to revise their estate planning documents.

85. Claim the child and dependent care credit if you work. You can claim up to 30 percent of the first $2,400 of expenses ($4,800 for two or more children) for the care of a child under 13, an incapacitated spouse, or incapacitated dependent while you work or go to school.

86. Claim the child care credit even if you don't work. If only one spouse works, you can still take the child and dependent care credit if the other parent is a full-time student or is disabled.

87. Pay your employment taxes. If you hire someone to care for your dependents in your home, even a relative, you must pay employment taxes on their wages by filing Schedule H with your income tax form. Reporting those wages may enable you to claim the child and dependent care credit.

88. Don't overlook expenses eligible for the child care credit. Nursery school, private kindergarten, after school programs, and day care all are qualifying expenses. You do not have to choose the least expensive option to qualify for the credit.

89. Set aside money in your employer's dependent care plan. Although tax-free reimbursements by your employer reduce the child and dependent care credit you are allowed to take, they are still a good deal for taxpayers in the 20 percent tax bracket and above.

90. Claim the child tax credit. If your income is under $75,000 ($110,000 for joint filers) you are eligible to receive up to $500 for any child, stepchild, grandchild, adopted child, or foster child in your care.

91. Claim the adoption tax credit when you adopt a child, if your income is under $115,000. You can claim a tax credit of up to $5,000 ($6,000 for a special-needs child) for adoption fees, attorney services, court costs, and other expenses in the year the adoption is final.

92. File separate income tax returns for your children. Children must file if their income from interest and dividends exceeds a certain amount ($750 in 2001), but you can include your children's income on your return to save on paperwork. Combining your children's income with yours will increase your income, reducing many deductions and credits, so filing a separate return for the child is likely to result in less tax overall.

93. Invest children's money with taxes in mind. Children under 14 are taxed at your rate, so choose tax-deferred investments, such as US Savings Bonds, growth stocks, and municipal bonds. For older children, who are taxed at their own (presumably lower) rates, choose investments that pay current income such as dividend-paying stocks and corporate bonds.

94. If necessary, withdraw from your traditional IRA to meet medical emergencies, for education, or to buy a home. You can withdraw money from your IRA penalty-free (but not tax-free) before age 59-1/2 to pay for medical expenses that exceed 7-1/2 percent of your income, health insurance premiums if you are unemployed, higher education expenses, or up to $10,000 of first-time home-buying expenses. If you desperately need money for one of these qualified expenses, your IRA is a place to start.

95. Look before you leap into a state-sponsored college savings plan. The earnings are taxable to the child when the funds are withdrawn, and if the student does not attend college, you'll pay a 10 percent tax penalty on any refunds from the plan. Also, the plan may invest too conservatively to meet your educational goals. You may be able to invest more effectively on your own.

96. Each year, determine if an Education IRA or a state-sponsored college savings plan would better meet your needs. You can't contribute to both in the same year.

97. Contribute to an Education IRA for children under 18. You can withdraw the contributions and earnings tax-free and use them to pay for college expenses, including room and board. Contributions are limited to $500 per child per year, and are not deductible. Only taxpayers with incomes under $95,000 ($150,000 on a joint return) can contribute.

98. Gift money to children for their Education IRA contributions. If you wish to contribute to an Education IRA but your income exceeds the limits, gift $500 to someone with lower income, such as the child, who can then make the contribution.

Relationship Skills for Financial Success

99. Organize regular "money meetings" to discuss your financial situation, dreams, and goals. Use this time to brainstorm creative solutions to money problems and generate ideas to improve your future.

100. Time your financial discussions carefully. During the morning rush, at a noisy dinner table, or after a bitter argument are not good times to discuss financial topics. A lazy Sunday afternoon, a quiet weekday evening, or on a leisurely walk might be better.

101. Know what you want to accomplish. You cannot change the past, be in two places at one time, or make your partner into a different person. Be clear about what positive, realistic outcome you want to achieve.

102. For women: Remember that men do not like to talk as much, as often, or about as many subjects as women. Get to the point, suggest practical solutions, and be ready to take action.

103. Plan your financial discussions in advance. Love does not mean constant spontaneity. Considering how and when to approach your partner can make the difference when discussing important subjects.

104. For men: Women generally require more discussion and consensus than men do before they make a decision. Resist the urge to solve everything before your mate has talked through the problem.

105. Understand your mate’s money personality. Couples often approach money matters differently. Perhaps one of you makes financial decisions instantly, while the other one deliberates for days. The more you know about your mate’s core beliefs about money, the easier it will be to merge your finances.

106. Balance the money power by sharing financial information and duties. Sharing power can enrich a relationship, as sharing money can enrich a lifestyle. And using money or power to manipulate and dominate in power plays can undermine a relationship.

107. Don’t be a financial savior. Working your fingers to the bone to earn money for the family means you are sacrificing your own happiness. Keeping your spouse dependent on you is a power play that eventually will lead to trouble in your relationship.

108. Don’t dwell on judgments or criticisms of each other. Describe the financial behaviors that you admire in your partner. Praise what you like instead of focusing on what’s wrong.

109. Identify your partner’s hot buttons and avoid them. There is nothing to be gained by angering, scaring, or frustrating your partner. These powerful emotions will only keep both of you from focusing on constructive solutions.

110. Avoid blaming your partner. Think about differences in money management as differences in perspective instead of moral failures. In most cases, the person you love is sane, reasonable, and healthy. Treat your partner with the respect she deserves.

111. Watch for financial irritants and clashes. When recurring patterns crop up, look at what attitudes and feelings about money are driving them. Work together to determine pro-active ways to alter the cycle to prevent problems from festering.

112. Move toward the middle. If you each compromise a little on financial disagreements, you can find common ground together. If he wants a fancy vacation, and she wants to save money by staying home, cutting the vacation time away from home in half will likewise reduce the expense.

113. Cultivate a healthy respect for reason. Don’t become so emotionally attached to your position that you ignore reality. Seek the solution that best fits the situation, whether or not it fits your preconceived notion of how the problem could be solved.

114. Don’t go around your partner. Hiding purchases or assets and lying about financial obligations can only harm your relationship. Have the courage to tell the truth.

115. Don’t always be right. Nothing arouses anger like the statement: “I’m right and you’re wrong.” State the facts and value judgments that give rise to your position, and allow your partner to do the same.

116. Don’t be a martyr. Don’t always be the one who compromises, pays the bills, and cleans up the mess. Martyrdom eats at your soul from the inside out, creating resentment where love should be.

117. Switch roles occasionally. To allow each of you to better understand each other’s experience, give your partner a vacation from bill-paying a few months, or take over a financial project that your partner has been dreading.

118. Don’t ignore your partner’s needs. It may not be important to you, but if it’s important to your partner, it’s important to your partnership. Treat your partner as a business colleague, not a dumping ground. Hear what your partner is saying, consider it, and respond.

119. Solve spending disagreements by being open to alternatives. Figure out what feeling you are after, and explore different ways to get it. If you want to redecorate the living room and your mate doesn’t want to spend the money, perhaps a new sofa would give you the uplift that you crave, without breaking your budget.

120. If you are having communication problems, try the timed-discussion technique. Set a timer for five minutes, and then let your partner present his point of view on a disputed subject. Listen with full attention, taking notes or tape-recording your partner if necessary. Then, set the timer again, and present your views.

121. If a discussion gets out of hand, have a time-out. It takes at least twenty minutes for the adrenaline triggered by a disagreement to subside. Once your blood pressure has dropped, write out your position on a piece of paper. Show it to your partner and use the document to identify points of agreement and disagreement.

122. If all else fails, read a good book on negotiation. Negotiation techniques that work in hostage situations and major labor-management can certainly be useful in your household discussions.

123. Don’t believe that your problems will be solved once you get a raise or pay off your debts. Money disagreements are almost never about money. They are usually about fundamental values, mutual consideration, and personal control.

124. Let your partner know how important he is to you. In the heat of an argument about money, it may seem that a few (or a few thousand) dollars are a matter of honor and life and death. In reality, your relationship with your partner is priceless.

125. Have integrity. Don’t violate your deepest beliefs and values so that someone will love you. A marriage of true minds can only be created from your genuine self, not from conforming to another’s expectations of who you should be.

126. Be productive. Look for opportunities to create, to improve, and to unify. Look for ways to bring more value to your life and to others, rather than focusing solely on what you own.

127. Take responsibility for your mistakes. If you bounced a check, made a stupid purchase, or forgot to mail the bills, don’t hide it. Your partner will respect you for telling the truth.

128. Let your partner help you improve your weak spots. If she knows about investing, make her your financial guide. If he is a great negotiator let him teach you his tactics. Don’t view your weaknesses as terminal flaws, but rather as opportunities for growth.

129. Use active listening techniques to understand your partner’s point of view. Rephrase what you *think* he said until you have repeated it back to his satisfaction.

130. Create a list of your pet peeves about each other—things that you each do that drive the other one crazy. Choose one item from the list your spouse has made and work on eliminating it. Set a date to follow up on your plan and include a financial incentive for successfully eliminating the bad habit.

131. View conflicts as problems, not personality disorders. Avoid the tendency to say, “You’re just as irresponsible as your mother,” even if you think it’s true. Focus instead on what constructive solutions you and your partner can take to resolve your current problem.

132. Be as creative as you can to entice your partner to become involved in family money matters. Make it fun, positive, and safe.

133. Join an investment club, or form one for your family. Investment clubs are social gatherings where the members can learn about finances together. It’s a great opportunity to share good times and learn how to invest at the same time.

Bonus Section: Remarriage

134. Don't evade the reality of your or your new spouse's financial obligations. Your partner's past is very much with him, and you must accept the consequences of his past decisions as a part of your life. Conversely, try to be understanding of your new spouse's resentments of your own obligations to your ex-spouse and children.

135. Think about how your divorce has affected you and try to limit the damage it will cause in your new relationship. The emotional trauma of divorce may leave lasting scars that inhibit you in your new partnership.

136. Talk about the money differences you had with your prior spouse. That way, your new mate will learn more about you and will know where you are coming from when differences arise in this relationship.

137. Before you remarry, check the title of your property to be sure that the property is held solely in your name. Clear up any title problems before you tie the knot.

138. Revise your will and name new beneficiaries for non-probate assets such as life insurance and retirement plans. In many states, divorce invalidates previous wills. If you didn't clean up these loose ends after your divorce, do so now.

139. Be patient with communication problems. Remarriages have communication challenges all their own. Not only is there the normal amount of psychological baggage that we all carry, but there are many years of "training" in the previous marriage to overcome.

140. Don't use your new spouse to get back at your ex. Not only will you poison the promise of your new love, but you will contaminate any necessary future dealings with your ex-spouse.

141. Cut as many financial ties as you can to your ex-spouse. The fewer assets you own together and financial involvements you have, the better relationship you can maintain, and therefore the better parents you can be to your children.

142. Be polite to your partner's ex-spouse. He or she is the lion at the gate guarding your partner's relationship with his children. Don't indulge in vengeful or petty actions that may keep you from your larger goal of a happy stepfamily.

143. Consider filing separate income tax returns with your new spouse. Alimony and child support is often dependent on your income, so it is best

to keep your income separate from your new spouse's. If you do file jointly, carefully identify each spouse's income on the tax return.

144. Don't let the children come between you. It takes special vigilance to keep children from prior marriages from fueling disagreements. Discuss in advance how you will share responsibility for children who live with you and how children's expenses will be handled.

145. When dealing with your ex-spouse regarding money or family issues, be sensitive to her feelings about your remarriage. Your ex may naturally feel hurt, left out, resentful, or jealous. Don't rub her face in it.

146. If you have children from a previous marriage, don't take your ex-spouse for granted. Treat your ex with respect so that he doesn't cause problems for you when you need him later.

147. Don't confide in your ex-spouse about your new relationship. Now that you are divorced, your financial and emotional interests are different and often opposed. Do not reveal private information to your ex that can be used against you.

148. Get a copy of your credit report. Now is a good time to clear up any items that may have been left over from your prior marriage. Be sure that all joint accounts with your ex-spouse have been closed. If not, make arrangements with your creditors to close the accounts or pay off the bills before you marry.

149. Check the names on your accounts (checking, savings, money markets, CDs, brokerage, and treasury bills) to be sure that they are consistent with your divorce settlement.

150. If you have children from a prior marriage, consider using A-B trusts. This easy and simple trust arrangement will allow you to avoid estate taxes on your death, give income to your spouse for life, and then pass the assets to your children.