

A Post Marriage Checklist for LGBTQ Couples

Here's a quick checklist for same-sex married couples in the wake of the Supreme Court's United States v. Windsor (2013) and Obergefell v. Hodges (2015) rulings.

Workplace Benefits

Healthcare

- Review the benefits and the cost of adding your spouse to your company's health care plan. You may be able to save some money and get better benefits.
- Explore tax favored healthcare accounts. Consider using Flexible Spending Accounts (FSAs), Health Reimbursement Arrangement (HRAs), and Health Savings Accounts (HSAs) for qualified healthcare expenses of a same sex spouse.

Retirement Plans

- If you participate in a defined benefit pension plan, or defined contribution plan (i.e. 401K) at work, review your beneficiary designation to ensure it reflects your current intention. If you have named a non-spouse beneficiary, your spouse must provide written consent, as non-spouse beneficiary designations done without consent will be deemed invalid.

Dependent Care Flexible Spending Accounts

- If you and your spouse both utilize these accounts, recognize that the maximum that can be deposited each year is reduced from \$10,000 (for two single individuals) to \$5,000 (for a married couple).

Group Life Insurance

- Consider enrolling your spouse for voluntary group life insurance if your employer makes it available.

Financial Planning

Budgeting

- Consider creating a family budget that includes mutual goals.

Investment Goals

- Consider looking at your investments as a household rather than two individuals. This may require some investment rebalancing and new asset allocation.

IRA Contributions

- If you have an IRA or a Roth IRA, consider updating your beneficiary to your spouse, if you have not already done so. If you wish to contribute to either an IRA or a Roth IRA, determine whether you can make contributions based on the combined income of both spouses.

Spousal IRA

- If your spouse's company does not provide a retirement plan and you file a joint tax return, consider opening and contributing to a Spousal IRA. If neither spouse has a retirement plan at work, contributions will be tax deductible.

Financial Planning *continued*

Estate and Gift Planning

- Create an Estate Plan outlining your wishes. When creating an estate plan, consider that same-sex married couples (and both spouses are U.S. citizens) can now use the unlimited estate tax marital deduction to pass assets to a surviving spouse without incurring federal estate taxes. When considering making gifts, recognize that gifts and property can be transferred to each other without paying federal income or gift taxes. Same-sex married couples will now also qualify for gift-splitting, meaning each spouse is treated as giving half the property gifted by the other.

Social Security filing status

- If you are ready to file for spousal or survivor benefits, look for ways to optimize your benefits as a married couple.

Life Insurance

- Same-sex married couples may wish to revisit their life insurance needs. While estate planning needs may now be deemphasized, life insurance can be used to mitigate the financial risk of lost earnings, fund a spouse's retirement, or pay for the education of a child.

Tax Planning

- Same-sex married couples can/must now file federal tax returns using the married filing jointly" or "married filing separately" options.

Medicare

- Medicare. If one spouse will not have the minimum of 40 quarters to qualify for coverage at age 65, recognize that Medicare coverage can become available based on the other spouse's work history.

DISCLOSURE: This material is designed to provide general information and in no way should it be considered financial planning or investment advice. Please consult with your financial advisor, financial planner, tax and legal advisors regarding your personal circumstances

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