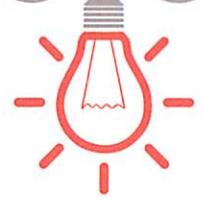


# ENGAGE IN YOUR FUTURE

*Make Good Decisions For The Future With Proper Financial Planning*



Financial planning plays an important role in many family law cases. But making good decisions in your legal case often involves more than just gathering the minimum information required. Accuracy and big-picture thinking can be critical in making good decisions for your future.

Here are some common areas you may need good financial planning.

## **Preparing For the Future**

One of the most important aspects of the Pursue Happiness™ program is simply preparing yourself for the future. This includes a proper financial plan. It doesn't have to be formal or complicated, but you should have one. Without one, you may find you didn't make the best decisions possible in your family law case.

## **Taxes**

Taxes are a frequent topic in family law cases, especially in divorces and cases involving child or spousal support. People want to know what the tax impact is of receiving or paying support. It is also common to wonder what financial benefits there are to claim a dependent on a tax return or the ability to claim a head of household filing status. In divorces, it is common to evaluate if the couple should be filing jointly or separately or if it is advantageous to divorce in one tax year or another.

## **Determining Income**

In support cases such as alimony or child support, knowledge of both party's income is critical. Unfortunately, it is not always clear. For example, a business owner may be commingling personal and business funds, complex benefits such as stock options are hard to put a value on and it is not uncommon for people to benefit personally from some fringe benefits

such as reimbursement of personal expenses or a company car. Some parties also receive considerable tax credits each year which may also be included in income.

## **Financial Need**

One question many people are often unprepared to answer in family law cases is what your, or the other party's, financial need. This would be how much income you realistically need to cover expenses each month.

## **Valuation**

Primarily in divorce cases, it is critical to know the value of an item in order to decide what to do with it. A bank account for example is usually easy to value. A pension plan, business, annuity, or trust can be difficult to assign a value to without a good financial planning expert.

## **Testimony**

In court, it can often be effective to have an expert come in and explain your or the other party's financial situation to the court. Few individuals have the same credibility in court that a real expert can have. Be careful in skipping a financial expert when it is needed in your case.

These are just some of the ways a financial planning may help your family law case. If you need a referral to someone to assist you with any financial planning matters, please let us know.

Our Pursue Happiness program is here to help you make good use of your family law legal services!



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