

Four Ways to Avoid Money Spats with Your Partner

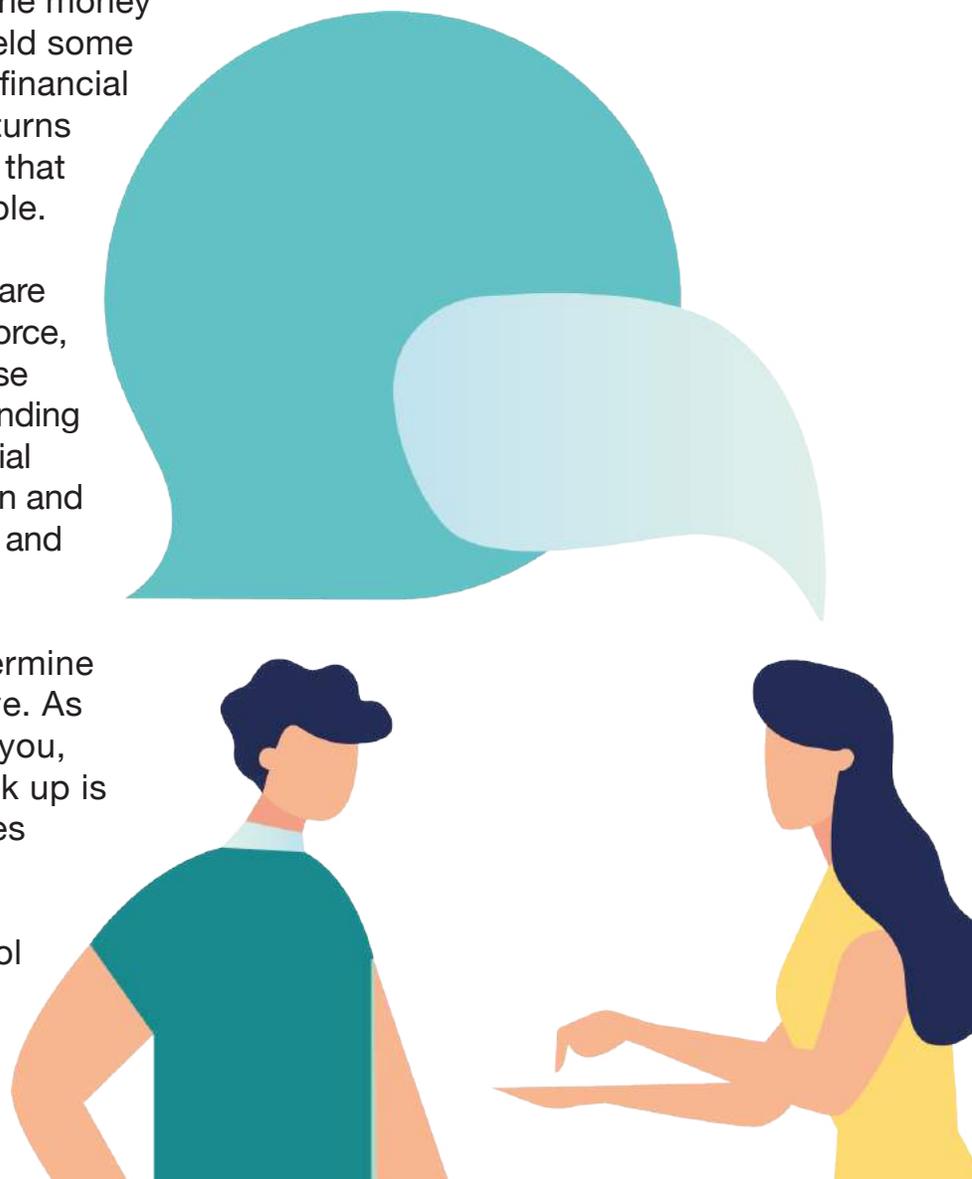
Under the influence of romance, it is easy to be distracted from practicalities. But couples that can't agree on how to spend and save tend not to last very long. To maintain a healthy relationship, it's important to address these problems early on.

Money Can Be a Problem

There are countless studies about the money behavior of married couples that yield some insights into what's going on in the financial lives of couples across America. It turns out that many couples ignore signs that they might be financially incompatible.

Interestingly, while financial conflicts are often listed as a leading cause of divorce, many of those who participate in these studies said that, when it comes to finding their ideal partner, money and potential earnings were not a priority. Both men and women valued personality, character and looks above financial success.

But these aren't the traits that determine whether the relationship can survive. As many marriage counselors will tell you, a leading reason why couples break up is money differences. Younger couples have a greater number of financial disagreements than older couples who are more likely to feel in control of their finances because they've resolved their differences.



What Couples Can Do

How can you tell if you and your partner have financial views that could jeopardize your relationship? If you do, what can you do about it?

Here are four ways to prevent money arguments from getting in the way of your happiness:

1. Understand your partner's financial circumstances

Are you marrying a spender or a saver? Money is an off-limits topic for many, but broaching this topic is important for couples. Ask about debt and the state of your partner's credit score. Map out a plan to address any issues that arise from this conversation.

2. Be open about your values and financial goals

This includes the kind of lifestyle you each envision for retirement. Make note of where your dreams overlap and where they diverge.

3. Separate control of your assets

If you do not feel you are financially compatible, but still want to stay in a relationship, then joint accounts are not for you. You might keep three types of accounts: his, hers and ours.

4. Work with a financial professional

Hire a reputable financial advisor to help you find common ground and honor both of your needs. A financial plan based on your goals can help sustain your relationship.



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