Facing a Divorce

Divorce is an emotional separation that can greatly impact your financial situation. Many people are financially fit until faced with the economic consequences of marital separation. There are some steps you can take to minimize money problems during what is already a stressful time.

- Beware of using money or credit cards as a marital weapon. If accounts are jointly held, you may end up paying the killer bill.
- Stop charging unless you have the personal income to pay it off in a timely fashion. Do not use credit cards to supplement missing income.
- Save for moving expenses and legal fees. They may be hefty and you should save and not charge or take new loans, unless you have a secure job and can pay them back as promised.
- Pay utilities on time especially if they are in your name. If you have to move and resume service, you may be asked to pay security deposits if you have not been a good paying customer in the past. The same goes for rent and mortgage payments. Many landlords request credit bureau reports, and if your payment history is poor, they may refuse to rent to you.
- Do not take out any new joint loans with your spouse. If your spouse doesn't pay, you will have to pay the entire loan.
- Write the credit card companies and send a certified letter requesting a new credit card in your name only.
- Protect your divorce judgment. If the divorce papers stipulate your spouse is responsible for the debts, unless you take legal action to remove your name from the original contract, the creditor may still pursue you in court.
- Base all new bills and living arrangements on what you can reasonably afford on your own. Don't depend on child support or alimony when making future income considerations.
- Save what you can, even if it's only $5
- Read and understand any financial documents BEFORE you sign. Make sure your attorney of financial advisor explains all the consequences of a decision, including any penalties for early withdrawals and income tax complications.

Accel™ Members Financial Counseling

38505 Country Club Drive Suite 210, Farmington Hills, MI 48331 1-877-33-ACCEL