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6 Money Myths About Marrying After 50

 Next Avenue , Contributor

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Marriage after age 50 is a wonderful thing, but it has some financial challenges, too. There is plenty to take into account, and plenty of money myths, if you plan to tie the knot in midlife — especially if your spouse-to-be has children from a first marriage.

Here are six common myths:



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Myth No. 1: Prenups Are Only For The Rich And Famous

Actually, if you've been married before and have children from a previous relationship, a [prenuptial agreement](#) is essential to ensuring that property will pass to children from the prior marriage, says Christine M. Searle, certified internal auditor and owner of [Searle Business Solutions](#) in Arlington, Va.

And, she says, even if you're getting married for the first time, chances are you've accumulated significant assets by this point in your life (and perhaps even some debt). So you'll need to plan how to handle those if, sadly, this marriage doesn't work out.

Don't think of a prenup as prearranging your divorce, Searle says, but more like writing your will. "If you don't have certain things arranged," she says, "the state gets to make decisions for you and that's like dying without a will."

After 50, the focus of a prenuptial agreement should be on protecting your children and grandchildren. "The context of a prenuptial should be how to do we provide together for our extended families," says Carla Dearing, CEO of [Sum 180](#).

For instance, in the United States, states can let a surviving spouse claim his or her "elective share" in place of what was left in the decedent's will. A prenup allows your spouse to waive the elective share so you won't need to fear your estate plan will be challenged by your surviving spouse, says Philadelphia divorce lawyer [Linda A Kerns](#).

Similarly, many states automatically give spouses some rights to life insurance or retirement benefits, but a prenup would let your spouse give up their rights to them. Kerns says that if both spouses have substantial investments, they might want each of their own children to be the beneficiaries.

Myth No. 2: Never Discuss Estate Planning With Your Stepfamily

Estate planning is essential if you have children from an earlier marriage, Kerns says. Otherwise, your entire estate could pass to your new spouse and not to your own children.

Kerns recommends having frank conversations about your estate planning and prenup with your adult children and your new spouse. Grown kids are sometimes wary of their parent getting remarried because they are concerned about how it will affect their inheritance, Kerns notes.

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If you have concerns about providing for a new spouse and children from a previous marriage, you can get creative with your estate planning, says Kelley C. Long, CPA, a Chicago financial planner with [Financial Finesse](#). One of her clients created a formula for how much money he wanted his new wife to have when he died; the amount fluctuated based on their wealth and age. He also had regular meetings with his new spouse and his children to discuss how much each could expect to receive when he was gone.

Myth No. 3: Holding Assets Jointly Is Always Best

The older we get, the more set we are in the way we spend and save money, says Kerns. So it becomes increasingly more challenging to combine households and money.

Before getting married, couples should decide: Will we have separate or [joint accounts](#)? Will one of us sell our current home? Will we change the deed to a house?

It's not uncommon for one spouse to sell a house and move into the other's, says Kerns. But before doing this, she advises, be clear about whether the one keeping the home will add the other's name to the deed. That's especially important if you plan to use money from the sale of one house to renovate the other one. Otherwise, Kern says, the spouse whose home is sold will spend money on a house he or she doesn't own and will have nothing to show for it.

Instead of automatically selling a house, Long suggests considering renting it out and using the rent money to pay for any renovations on the home you move into.

Myth No. 4: Your New Spouse's Debt Won't Affect You

In fact, debt can be a significant issue in second marriages, says Dearing. That's why spouses should be upfront about how much they owe before marrying so they can decide together how they'll handle debt that's still on the books. It's a good idea for each person to see the other's [credit report](#), too.

Dearing recalls a 69-year-old client who had a sufficient retirement income and a comfortable life but thousands of dollars of credit card debt, too. "If something happened to him, his retirement wouldn't go to his second wife, but all his debts would," she says. Dearing recommended he buy a life insurance policy that would, after he died, provide enough money to pay off his debts and get their son through college.

Myth No. 5: It Always Makes Financial Sense To Get Married

Well, not always. It depends on your personal and financial situations. For instance, a spouse receiving alimony or child support from a first marriage can't assume that will continue after remarrying, Kerns says.

Getting married can also reduce your Social Security benefits, Long notes — especially if you didn't work while you were married the first time and can claim spousal benefits that are significantly higher than your own Social Security benefits. For instance, if you were married at least 10 years, are at least 62 and are currently not married, you can collect a spousal benefit equal to half your spouse's Social Security benefit, even if your ex-spouse is remarried. In addition, Long says, an ill partner on Medicaid might want to remain unmarried so he or she can continue to qualify for that federal program. A combined marital income might be too high for your partner to qualify for Medicaid.

Myth No. 6: Your Spouse Can Automatically Make Your Medical Decisions

Without an [advance health directive](#) that spells out your wishes regarding end-of-life care, there's no guarantee your new spouse will be able to make medical decisions for you or tell your doctor what treatment you'd prefer.

"You need to be very clear in writing what your wishes are so your new spouse and your adult children don't end up at odds over your care," Long says. Although your spouse is generally

who your physician would look to for information about this, it can't be assumed that your spouse will make such decisions, she says.

Long recommends talking with your new spouse and your adult children so they know your wishes and setting up an advance health care directive at Mydirectives.com. File it electronically so your physicians will have easy access to this key document.

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