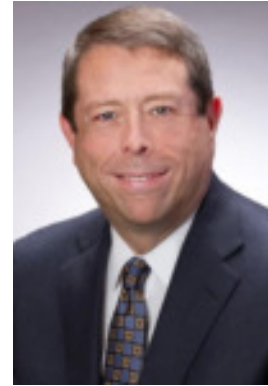


Recent changes to income tax law may impact your divorce strategy

By Trey Yates

When it comes to divorce, what you don't know can hurt you! And if you aren't familiar with divorce law, and other areas of law relevant to your case, your family could be impacted financially and otherwise for the rest of your lives!

For example, federal income tax laws surrounding alimony or spousal maintenance will soon change due to the "Tax Cuts and Jobs Act," which both houses of Congress passed on Dec. 20, 2017. While this change won't take place until 2019, you may want to consider those changes when you and your attorney plan your divorce strategy now. It may mean working toward being divorced in 2018, before tax laws change. It all depends on the specifics of your case and how changes in that law might affect you.



Bottom line -- divorce constitutes a lawsuit. And that is a serious matter. Did you know that the laws pertaining to divorce in Texas can be found in the Texas Family Code, The Texas Constitution, Texas Rules of Civil Procedure, Texas Rules of Evidence, Texas Civil Practice & Remedies Code, Penal Code and/or Texas Business Organizations Code. That's a lot of legal code. And changes to those laws happen regularly. You need an attorney who keeps up with these changes.

For those facing divorce in 2018, I recommend securing the assistance of a lawyer who is Board Certified by the Texas Board of Legal Specialization in Family Law. Attorneys with this certification offer relevant, proven experience, and have been thoroughly tested for special competence in a specific field of law. For Family Law certification, each one must have prepared for and participated in the contested trial of cases involving matters such as divorce, property division, child custody, child support, adoption, paternity or other matrimonial matters.

Of the more than 70,000 attorneys licensed to practice law in Texas, only about 7,000 are Board Certified in the area of family law.

An attorney who is Board Certified in Family Law must:

- be licensed to practice law for at least five years;
- devote a required percentage of practice to family law for at least three years;
- handle a wide variety of family law matters to demonstrate experience and involvement;

- attend family law continuing education seminars regularly to keep legal training up to date;
- be evaluated by fellow lawyers and judges; and
- pass a day-long written examination.

In this newsletter we are offering a free download of a 44-page manual published by the *American Bar Association Section on Family Law* entitled, *Working With Your Lawyer*. There is a great deal of practical information and tips in this manual. So, download it today. Also, if you are facing divorce, consider attending our quarterly [Guide to Good Divorce seminar](#) on January 27, 2018. We will be discussing many aspects of divorce, including how some changes in the tax law could affect your divorce. [Register today!](#)

Important factors in a divorce settlement should include a post-divorce budget, cash flow plan and long-term goals

By Patricia Barrett, CFP, CDFA



If you have recently filed for divorce, are anticipating a divorce, or are in the midst of one, I can appreciate how many emotional, legal and financial issues you are grappling with at this time.

You may require the assistance of a Certified Divorce Financial Analyst if your case is complex, or you need extra help wrapping your head around the details of your marital finances and the financial part of the divorce process. Or, if you aren't sure that your spouse is being honest and forthcoming with all financial information, I may be able to find hidden assets or verify the accuracy of his statements.

I have developed proprietary tools, spreadsheets and tables over the years that help shine a light on divorce finances. One important step is to plan a post-divorce budget, allowing for both immediate and long-term goals. My tables include financial overviews of the first post-divorce year, and also project finances 10, 20 or 30 years out, including inflation adjustments on spending, Social Security and IRA distributions, etc. This way, provisions for long-term goals and retirement are considered in your divorce settlement strategy.

As we create this financial overview, we take into account yours and your children's needs in the present as well as the future, including healthcare insurance, private school and college expenses, taxes, housing costs, special needs and much more. My goal is to

help clients clearly understand the financial side of divorce from a business perspective -
- taking the emotion out of the equation as much as possible.

As I often tell clients, every dollar in the marital asset column is not created equal. A dollar of home equity is not the same as a dollar invested in a retirement fund. Dividing the marital estate *equitably* requires careful research, financial knowledge and expertise, and consideration of future financial plans and goals.

Working with Your Lawyer -- a Client Manual

[\(free download\)](#)

The American Bar Association's Section of Family Law has created this guidebook to help you make the most of your time with your lawyer, ideally saving time, energy and additional heartbreak.

Consider the advice from the neutral experts in this guide, then think through your options and make informed decisions throughout the divorce process.

For additional free information, visit our Resources page at GuideToGoodDivorce.com.

