

The DAILY PLAN-ITTM

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How to Help Widows with Financial Planning

For your clients who are married or are about to marry, it's best that both spouses have a full understanding of what assets and liabilities they have or stand to inherit from one another. Not sharing financial details or avoiding the subject creates stress and confusion when one partner passes away.

But, not all marriages have an open line of communication about money. Many Baby Boomer clients and their senior parents have so-called "*old fashioned*" marriages where the husband manages the family's finances and the wife is out of the loop.

Losing a spouse can be the most emotionally difficult time in one's life. This can be especially true for a new widow whose previous involvement in finances went as far as her checking and savings accounts and little more.

In an instant, she may become the owner of her deceased husband's business in which she had no experience and he had no succession plan in place. That's one of the scenarios highlighted in a recent [New York Times article about women over 50 facing their financial fears](#).

Money matters once handled by her husband - paying monthly bills, managing investments, filing taxes - are suddenly the widow's responsibility. Although it can seem overwhelming, there are ways to get widowed clients on their financial footing and moving forward.

First things first

Advise newly widowed clients to slow down. Take a deep breath. And don't make any rash, long-term decisions. That's the first advice other experts give to those - especially women - who find themselves with major responsibility and little know-how.

There are things, however, that need to be done within a month or so of the spouse's death. These include paying the monthly bills, taking care of taxes that might be due, and collecting any life insurance policies the spouse left. Once those responsibilities are dealt with, it's time to dive into the nuts and bolts of keeping the widow financially fit.

It's extremely important to understand the value of any real estate owned when clients create an estate plan, because it's often one of their largest assets. How real property is titled or owned with a spouse or partner often controls the disposition of the property.

Warning notes

When a widow with little knowledge of their finances suddenly comes into a large sum of money, you can bet there will be wolves at the door. Unscrupulous salesmen touting financial get-rich or stay-rich schemes are to be avoided, of course, but those closer to the widow may put the pinch on her, too.

A son or daughter can more easily prey on a widow's emotions, saying, "If Dad were alive, he'd help me buy this car," or whatever it is they want. But be firm and try not to give in; being played can bring lasting negative consequences.

Later, if a widow decides to date, she needs to examine the other person's intentions. A background check is a good idea, including a review into finances and a possible criminal record.

Family talk

Why wait until a client is widowed to step in to help?

Many of your clients may have questions about how to prepare and protect a spouse from a lack of financial understanding of their assets and expenses. We are glad to help you with talking points or by facilitating a family meeting.

It is usually very eye-opening for both spouses to find out just how much or how little the other understands about their family's finances or their responsibilities when the first passes away. Talking things out now will avoid heartache and frustration later.

We hope this information is useful to you and helps your clients and their families. If you have a specific case or a question, please don't hesitate to call our office.

