

Divorce After 50

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Divorce among people 50 years and older has become so commonplace, the pundits have even coined a phrase for it, “Grey Divorce”.

Historically, people and especially older people disdained divorce. In 1960, for example, only about 1.5% of those older than 65 years had been divorced at least once, according to Census data. Today, close to 20% of those older than 65 have dissolved at least one marriage, again according to Census data.

There are certainly many reasons for late life divorce, but many say their advancing age served as a wakeup call, especially for those realizing they have 20 to 30 years left and are searching for a happier life situation.

Then too, the rise of financial independence for women has made it possible for women to have sufficient resources to maintain a separate household without being forced to rely on the financial wherewithal of a husband. Further, the establishment of “Equitable Distribution” laws has made it possible for more and more women to leave a marriage with a reasonable amount of financial security. Perhaps it should be noted here that approximately two thirds of divorces over 50 are instigated by women, according to recent studies.

Equitable Distribution laws (currently on the books of most states) mean that any of a couple’s assets, with the exception of inherited assets, are evenly divided amongst the husband and wife. This includes homes, furnishings, second homes, automobiles, bank accounts, collectables, 401(K) accounts, IRA’s, pensions earned, stock and bond portfolios, and any other assets having a financial value. Also included are future Social Security payments, the benefit of which can be maximized by filing for benefits in a way that yields the highest benefit payments.

All of the above are issues that your Financial Advisor can assist with to avoid major financial mistakes (divorce tends to be highly emotional) and can insure that each party leaves the marriage fully able to live out their remaining years in their own household, comfortable in the blanket of financial security. At any time that separation or divorce is contemplated, the wise move is to consult your Financial Advisor early in the process.

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