



ON THE MONEY



PHOTO: EPIC STOCK MEDIA

LOVE & MARRIAGE

Finance tips for same-sex couples

By Robyn A. Friedman

Did you get engaged on Valentine's Day? If you're planning to get married in Florida, it's wise to do some planning beforehand, whether you're a same-sex or heterosexual couple.

Cathy Pareto knows this firsthand. Pareto is a certified financial planner in Coral Gables who has counseled many same-sex couples planning to marry. She and her partner of 15 years, Karla Arguello, were also the first same-sex couple to marry in Florida, on Jan. 5, 2015.

"We knew that this might come to fruition one day, so we updated our estate planning when we adopted our son in 2013," Pareto says. "That being said, it probably would behoove us to go back and visit with our lawyer to make sure everything is still up to snuff."

Same-sex couples now face many of the same issues as heterosexual couples when they marry. Here are a few things to consider before you walk down the aisle:

- Consider that marriage may not benefit you legally or financially. Without a prenuptial agreement, marriage may give

spouses the right to alimony or property if they divorce or the automatic right to inherit property upon the death of the other spouse. More importantly, marriage may increase your tax bill.

- Review your estate plan. For example, "a single person can only gift \$14,000," says Mari Adam, a certified financial planner in Boca Raton. "Married people can gift twice as much. So even if you are penalized on taxes, you have to weigh all the other things you're getting by being married." Same-sex couples can also take advantage of the unlimited estate tax marital deduction to transfer assets to a surviving spouse.

- Strategize your retirement. Married couples can participate in their spouse's employee benefit plans and benefit by stretching out or rolling over their spouse's IRAs. Review your beneficiary designations to ensure they reflect your intentions. Married same-sex couples can also take advantage of Social Security spousal or survivor benefits.

- Protect your children. Marriage doesn't automatically give you parental rights to your spouse's child. If your spouse has children, and you want to co-parent, consider a step-parent adoption.

- Realize that you might lose your homestead property tax exemption. For partners who might each be claiming the exemption on their homes, once they get married they will likely only be able to claim one, says Lori Barkus, a family law attorney in Weston.

Perhaps the best advice - for any couple - is not to rush into marriage blindly. "If you always wanted to get married, there is certainly reason to celebrate now," says Adam, the financial planner. "But there are some consequences, and you should definitely talk to a tax preparer and attorney first."