Divorce and Money: How Much Would You Lose?

Couple fighting | Source: iStock

If you're <u>considering divorce</u>, you may be wondering what the impact will be on your finances. The Cheat Sheet spoke with a few divorce experts to get their opinion. Here's how your money could be affected if you decide to split from your spouse.

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The breadwinner may be the loser

If you make significantly more money than your spouse, you generally stand to lose more in a divorce, said Christian Denmon, founding partner of <u>Denmon & Denmon</u>. "As a technical matter, if you are the breadwinner spouse, you are in position to 'lose' the most money. That's because the spouse that makes the money will also be responsible for a bigger <u>portion</u> of fees and costs associated with the divorce. As a practical matter, the spouse who is ill-prepared and negotiates without analyzing the case fully and truly understanding the facts is the one who loses," said Denmon.

Who's the boss?

In addition, if you owned a business when you entered the marriage, you may also lose some money. Megan Green, a certified <u>family law</u> specialist and partner at <u>Feinberg Mindel Brandt & Klein</u>, told The Cheat Sheet business owners should be mindful of this when thinking about divorce.

Another scenario in which a spouse could feel as if he or she lost the most money in a divorce may be when a spouse entered a marriage with a business and worked at the business for a number of years. There could also be a situation where he or she started the business during the marriage, then upon divorce, that spouse was required to pay the "out spouse" for one-half the value of the business. One example of this may be a spouse who develops a pilot (a script) for a successful television show and the show is sold to a major network for millions of dollars. The rights to that show would most likely be divided since the writer/spouse did that work during the term of the marriage, and if there were no prenuptial clause, or no prenuptial agreement at all, half of the worth of that

script sale would likely go to the other spouse. Perhaps the losing spouse may have been better off never marrying, because ultimately they were forced to share the fruits of their brainchild with a spouse who never participated in the creation of that creative piece of work.