



## Air Force Financial Readiness Divorce Checklist



Studies at the National Institutes of Health (NIH) verify that money is a leading cause of stress in relationships. Even when a relationship ends in divorce, money often continues to be an issue. This checklist, supplemented with information and referrals from Airman and Family Readiness Center (A&FRC) staff, can help you as a divorced or divorcing person to reorganize your finances efficiently as you work through the many dimensions of this difficult life event.

Use this checklist as a tool to help you set goals, establish priorities, and develop a personal action plan. Space is provided to add local resources and reminders about additional topics.



### Documents

- Obtain an official copy of your Marital Settlement Agreement (divorce decree).
- Bring the divorce decree to your nearest Defense Enrollment Eligibility Reporting System/Real-Time Automated Personnel Identification System (DEERS/RAPIDS) office. If you are changing your name, get a new military ID.
- Check your Leave and Earnings Statement (LES) after DEERS updates.
- See your base legal office (active duty) or other legal counsel (Guard/Reserve) to determine the proper course of action regarding powers of attorney (POA) of your ex-spouse, if POAs are in place.
- Update your estate plan as appropriate.
- If you are changing your name, get a new Social Security card, driver's license, and passport.

*Additional Notes:* \_\_\_\_\_



### Financial Planning

- Make a spending plan (budget) for your new situation, or revise your current spending plan to account for current income, expenses, and indebtedness. Include spousal and child support, as applicable. As necessary, consider potential financial implications of divorcing in the state where the decree is issued, such as travel to that location, required classes, filing fees, and other legal fees.
- Get a credit report, including credit score. Plan and execute a strategy to establish and maintain good credit, as necessary. Monitor the progress of your strategy. Recheck credit reports six and 12 months after the divorce.
- If possible, settle all outstanding joint debts. Continue to pay and monitor outstanding joint debts, as these continue to be your legal responsibility until your name is removed from the account or the debt is paid off.
- Where appropriate, close all joint bank/credit union accounts and open new ones in your own name. If you are unsure about taking this step, seek professional financial counseling and/or legal counsel before acting.

- Clean out any joint safe-deposit box(es) and rent new one(s) in your name.
- Establish an effective bill-paying system to ensure that bills are paid on time.
- Create or restart your emergency reserve fund.
- Update beneficiaries of your Thrift Savings Plan (TSP) account, as appropriate.
- Work with your legal counsel and your brokers or other financial professionals to reshape your retirement funding, as necessary. Ensure you understand your ex-spouse's rights to your retirement funds and benefits, and ensure that Individual Retirement Account (IRA) and other investment accounts are in your name only or your interest in those accounts is legally protected to the extent possible under the law.
- Use a written receipt system to document payment or receipt of alimony/maintenance funds.
- Seek out and take advantage of financial workshops that address the needs of divorced persons.

*Additional Notes:* \_\_\_\_\_

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## Housing

- Transfer ownership on any real estate deeds so they are in your name only.
- Change utilities and other household accounts to your name.
- Update your mailing address with all creditors.
- Work with your base housing office for any housing needs.

*Additional Notes:* \_\_\_\_\_

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## Automobiles

- Update your car title(s) and registration(s) so they are in your name only.
- Update your auto insurance policies.

*Additional Notes:* \_\_\_\_\_

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## Insurance

### Health insurance

- If you are covered by TRICARE, change your TRICARE medical and dental enrollments, as necessary. If you are covered by any other health policies, adjust coverage to suit your current circumstances.

### Property insurance

- Review and update your homeowners or renters property and liability insurance policies to ensure they are in your name and are adequate for your new situation.

### Life insurance

- Update the beneficiaries of your Servicemembers' Group Life Insurance (SGLI).
- Check the total amount of life insurance you have against your insurance needs and update beneficiaries for any privately owned life insurance policies.

## Disability Insurance

- If your ex-spouse pays alimony or child support and if it is possible and feasible, take out a life and/or disability insurance policy on him or her.

Additional Notes: \_\_\_\_\_

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## Taxes

- Review your new tax situation and change federal and state withholding as needed. (This can be done in MyPay for Airman pay. Guard and Reserve members will need to do it with their employers as well.)
- Update personal property tax records in your city and/or county to reflect your new marital status.

Additional Notes: \_\_\_\_\_

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