

Colorado Divorce: Financial Considerations

*Be Prepared for Your Divorce via
Financial Planning*

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/EINPresswire.com/ -- With 34 years of experience as divorce attorneys in the North Denver area, Leonard D. Tanis

and Michael McGonegal have witnessed many things. One thing is certain from their perspective: a divorce's financial aspect can upend anyone's confidence. Unprepared parties experience anguish when they come to realize the financial burden of their divorce. In fact, even though studies confirm financial problems are a common reason for a divorce, the opposite is also increasingly happening: unhappy couples stay together because of the threat of financial ruin if they divorce.

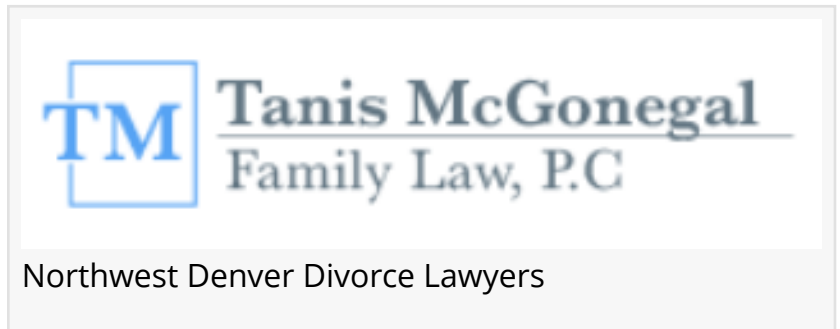
At Tanis McGonegal Family Law, financial considerations of divorce are a critical part of the divorce process. They remind us that, in Colorado, the court will divide marital property equitably, which means fairly and not necessarily equally – also known as equitable distribution. Many states still follow the community property doctrine where the property is split 50/50. In fact, many people assume the 50/50 split also applies in Colorado because popular culture as played out on the big screen suggests it's a universal law. From that misconception flows unfortunate assumptions about the costs and continued costs of a divorce.

Fortunately, you do not have to end up struggling or claiming bankruptcy if you properly prepare, that's the message attorneys Tanis and McGonegal express to all of their clients. Financial considerations take on many faces, though, and are persistent in many relevant divorce matters. Here are the big five financial considerations to keep in mind when going through a divorce in Colorado.

1. Marital Property

Marital property is defined as any property acquired during the marriage, regardless of whose name is on the title. This includes things like the:

Marital home and other real estate
Personal property (e.g., jewelry or art)



Household goods (e.g., appliances)

Vehicles (e.g., cars, trucks, boats, motorcycles, motorhomes, and other recreational vehicles)

Bank accounts

Investments (e.g., stocks and mutual funds)

Retirement accounts (e.g., IRA, 401(k), FERS, PERA, and military retirement)

Business interests

Pets

Other property, like stock options, frequent flier miles, value of the increase of separate property during the marriage up until the dissolution of the marriage, and more

That's a lot. The court will divide marital property equitably between the two parties, taking into consideration factors like:

Each party's income or economic situation at the time of the divorce

Earning potential after the divorce

Each party's contribution during the marriage (including economic and domestic contributions)

Ability to support themselves

Care of any children

Again, remember the court does not have to divide marital property equally but will do what it believes to be fair given the facts and circumstances. As a result, one party may end up receiving a greater share of the property. If you are considering a divorce in Colorado and if you and your partner can hold civil conversations, you may want to start thinking about who will get what. It is often better to cooperate during the divorce and make decisions together as opposed to allowing a judge or jury to do it for you. Talking to an experienced divorce lawyer can assist you in coming up with good equitable agreements with your husband or wife along with discussions regarding the below four financial considerations.

Also, keep in mind separate property. Separate property can be simple, or it can be complex. Generally, property brought into the marriage is generally separate property. Gifts and inheritance are also separate property, even if it's received during the marriage but not always.

2. Spousal Maintenance ([Alimony](#))

Spousal maintenance, also known as alimony, is money paid by one spouse to the other to help them maintain their standard of living. When determining whether to award spousal maintenance and how much to award, the court will take into consideration factors like

The length of the marriage

The earning potential of each party

The ability of each party to support themselves

Spousal maintenance is not guaranteed, and today, where most spouses work, it's not awarded

as frequently as it had been. It's most often awarded when the economic disparity between the two parties is significant.

What's more, spousal maintenance is usually not permanent, meaning it does not endure until the recipient dies or remarries. The court will consider the duration of the support payments based on the length of the marriage and the ability of the recipient spouse to become self-sufficient in the future.

3. Child Support

If the parties have children, the court will determine child support payments. In Colorado, child support, governed by C.R.S. § 14-10-115, and is calculated using a formula that takes into consideration the income of both parents, the number of children, the number of overnights each parent spends with the children, and the amount paid for health insurance and work/school related childcare.

The parent who has primary custody of the child(ren) typically receives child support payments from the other parent. Child support payments are made until the child turns 19. Exceptions to this age requirement can sometimes extend or shorten the child support order.

Circumstances that extend child support obligations include situations where:

The child turns 19 but has not yet graduated from high school, at which point payments must continue through the end of the month of graduation

The child turns 19 and is still in high school but drops out

The child remains in school but turns 21, at which point support ends regardless

The child has special physical or cognitive needs, and these needs require continued financial support to assist with the costs of ongoing care

Circumstances that shorten child support obligations include situations where:

The child, before the age of 19 years, obtains a job and moves out of the primary home

The child, before the age of 19 years, joins the military

The child, before the age of 19 years, marries

4. Debt Division

Debt, like marital property, is divided by the court on an equitable basis. Debt includes things like:

Credit card debt

Personal loans

Mortgages

When determining the distribution of debt, the court will take into consideration factors like each party's income and earning potential. It's important to understand that just because the debt is in one party's name, it may still be considered marital debt and be subject to division.

5. Retirement Accounts

Retirement accounts and pensions, as noted above, are marital property and are subject to division in a divorce. Like other marital property and marital debt, the court will divide these accounts equitably. These accounts can prove particularly emotional because the parties have worked hard for that retirement and may end up with less than they think they deserve. Courts, however, can also distribute other property in lieu of retirement accounts – it is on a case-by-case basis and may be subject to how well a divorce attorney can plead their client's case.

Other Considerations Related to Financial Matters of a Divorce

There are other considerations to keep in mind that can directly impact the financial outcome of a divorce in Colorado. For starters, some parties may try to hide assets. Other parties may be manipulative and abusive – and whether that abuse is physical, emotional, financial, or mental, its impact can be detrimental to the financial outcome of a divorce.

The attorneys at Tanis McGonegal Family Law, through 34 years of experience, have seen and heard it all. Using exceptional insight, skill, and knowledge, they can identify red flags and will work closely with their clients to ensure the fairest outcome possible.

About Tanis McGonegal Family Law

Tanis McGonegal Family Law partners Leonard D. Tanis and Michael McGonegal specialize in helping clients facing difficult divorce matters. Their approach is unique from other divorce law firms because they listen and take the time to guide families through all of their options with the family's best interests at heart and in mind at all times.

Tanis McGonegal Family Law's experienced [divorce lawyers](#) genuinely understand the northwest Denver area and the issues faced by families in those communities. They help dozens of local families with the unique challenges facing today's modern family, such as child tax credits and other tax considerations in divorce, [child custody](#) rights, grandparents' rights, LGBTQ+ family law issues, and other key factors that should be considered in ending a marriage.

Based in Broomfield and serving Northwest Denver including Boulder, Lafayette, Erie, Longmont, Louisville, Northglenn, Westminster, and the rest of Denver, Tanis McGonegal Family Law is one of the highest-rated divorce law firms in Colorado. Tanis McGonegal Family Law assists clients with family law matters, child custody issues, child support issues, adoption, high asset cases,

property division, high conflict cases, civil protective orders, domestic violence, Colorado common law marriage, and post-divorce issues. They also are experienced Child Support lawyers. In addition, the firm offers preparation of prenuptial and postnuptial agreements.

If you are considering divorce or you need representation in a divorce, contact Tanis McGonegal Family Law today for a free case evaluation or call (303) 465-4605 to schedule an appointment.

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