

Love & Money

3 Things to Consider Before You Combine Finances

By Dawn Papandrea, design by Mark McClure

Relationships can be complicated, especially when it comes to coupling your cash. Once you and your partner advance to "serious" status — whether it's moving in together, getting engaged, or walking down the aisle — you'll have to decide whether or not you want to combine your finances.

While there's no right or wrong answer since each couple's money philosophies are different, what's true for all couples is that they need to communicate, compromise and stay true to their financial commitments to each other.

To help you decide if combining finances is right for your relationship, consider these financial factors.

1 Debt & Dollar Drama Can Lead to Trouble



Putting off important conversations

45% of recently married Americans did not discuss debt with their partner before getting engaged*



'Til debt do you part

Among couples who've been married in the last few years, **86%** say they started off in debt†

Fighting over finances

48% of couples with more than \$50K in debt say money is their biggest relationship challenge*

44% say they argue about money*



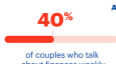
Financial infidelity

32% of those in serious relationships admit to spending more than their partners

42% of people say financial infidelity is the same as physically cheating*



2 Cash Communication is Key



Are you among the

or the



5 Ways to Make Money Talk Easier



Get it on the calendar

Have a cashflow catch-up weekly or monthly.



Have a post-money session date

Go out for lunch or a movie date to treat yourselves.



Respect each other's spending styles

Spenders and savers can find a middle ground.



Show and tell

Look over bills and statements together and make sure both parties have account passwords.



Bring in expert help

Work with a financial planner or accountant to discuss big picture goals and planning.

3 To Join or Not to Join Your Finances? You Must Decide Together

Studies find that long-term, committed couples who share all their money in joint bank accounts are happier and less likely to split†. But...



couples say they regret combining finances with their spouse or partner; those who earn more than their partner are more likely to regret it.*

So What Should You Do?

The Case for "Ours"



Merge finances completely

- Simplifies bill pay
- More transparency
- Share the wealth

The Case for "Mine & Yours"



Keep all finances separate

- More autonomy
- Partners can spend and save how they want
- Easier to go separate ways in case of a breakup

"Yours, Mine & Ours": A Hybrid Approach



Share a joint account and have a separate account

- Joint accounts are used for shared expenses and savings with agreed-upon contributions
- Each partner has their own "no questions asked" accounts for individual spending styles and savings goals

Ready to open a joint bank account, or multiple accounts to meet your various goals as a couple?

To learn more about First Horizon's options, visit our website.

Sources:

1 <https://www.bankofamerica.com/personal/firsthorizon/>

2 <https://www.firsthorizon.com/firsthorizon/financial-planning/money-management/>

3 <https://www.firsthorizon.com/firsthorizon/firsthorizon/financial-planning/money-management/>

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