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Don't Fight Over Finances!

When couples argue, what are they most likely to fight about? You might not be surprised to learn that, [according to a Harris Interactive survey on behalf of the American Institute of CPAs](#), money is the top reason for a marital spat, one that causes disagreements far more frequently than other critical issues. Since dollars and cents are so important to the health of any marriage, the Tennessee Society of CPAs offers these dos and don'ts to help keep couples from falling out over finance.

Don't Keep Financial Secrets

An amazing 75 percent of spouses say they've kept a financial secret from their partner, an American Express survey found. When one spouse has a rock-bottom credit score and a maxed-out credit card, it's not just an embarrassing secret, however. It's also a problem that will have a significant impact on the couple's ability to get the credit they need to buy a house or car or to make other purchases. If they are offered credit, they will likely pay a higher interest rate because of that credit history. Before they marry, couples should have an honest discussion about their individual financial situations so they can make realistic plans for the future. And those plans should certainly include a strategy for paying down any outstanding debt and building a

good credit record, if necessary. If you have any financial skeletons in your closet, speak up early so you and your partner can begin to tackle the problem immediately.

Do Set Some Ground Rules

One spouse likes to spend first and ask questions later, while the other carefully plans ahead for each expenditure. It's easy to see how these two could drive each other crazy, but if your approaches to money are very different, there are steps you can take to find some common ground. If you don't already prepare a monthly budget together, this simple exercise can help you review how much income you have coming in, how much you spend on necessities (such as rent or mortgage, car loan, food, etc.) and the discretionary income that's left. You can then work together to decide how you'll spend your spare cash. That discussion should include decisions about long- and short-term savings, as well as indulgence money you can use for vacations, luxuries and impulse purchases. Even when couples have different approaches to money, regular budgeting and an ongoing conversation about finances can help minimize misunderstandings and quarrels. A good general rule: The budget should include a set amount of money for each partner to spend every month however he or she wishes. That gives both spouses some freedom without breaking the budget.

Do Share the Burden

Handling the family finances can feel like a chore, but it's easier if you split the responsibility. For example, one person can pay the bills as they come in, while the other reconciles the bank statement at the end of the month. That can help make money management less of a burden and help give each spouse a good sense of how the money is being spent and whether financial goals

are being achieved. Since every couple's financial circumstances change over time, it's a great idea to set aside a regular time, at least monthly, to revisit your situation and determine how it affects your budget and goals.

Consult Your Local CPA

Sometimes it can help to have a third party opinion when it comes to opposing financial approaches. A CPA can offer objective advice to help clarify your financial situation and give you greater confidence in your decisions. Turn to your local CPA with all your financial questions.

About Money Management

Money Management is a column on personal finance that is a joint effort of the AICPA and the Tennessee Society of CPAs, as part of the profession's nationwide 360 Degrees of Financial Literacy program. Members of TSCPA are CPAs residing and practicing primarily in Tennessee in all areas of public accounting, education, government, business and industry. TSCPA offers a speakers bureau for many types of business and educational engagements. For details, visit www.tscpa.com. TSCPA is headquartered in Brentwood, Tenn.