



Couples and Money: 6 Important Financial Promises to Make

While discussing budgets and savings goals may not seem romantic, they are important conversations couples should have on a regular basis.

KEY INSIGHTS

- Achieving financial goals as a couple means having shared objectives and being transparent with each other.
- Couples should protect themselves financially by planning for emergencies and having proper insurance coverage and estate planning documents.
- Keep the conversation going by scheduling a “date” to discuss and review both short- and long-term financial plans.



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Whether you're getting ready to say, “I do”—or already have—tackling your finances as a couple doesn't have to be daunting.

While discussing budgets and savings goals may not seem romantic, they are important conversations to have on a regular basis. “For richer or poorer” is a phrase included in traditional wedding vows for a reason—you hope to build wealth and enhance your lifestyle and, at the same time, avoid financial pitfalls along the way.

To keep your financial future as a couple on track, consider taking (or renewing) these six vows:

1. We will make saving and planning for our retirement a shared priority.

While retirement accounts are individualized by nature, it's important to have a mutual vision for retirement.

You should plan your savings goals as a household and decide who is responsible based on the retirement accounts available. If you're both working and have access to workplace plans, like a 401(k) plan, you should be taking advantage of those accounts. If there is a primary earner or only one spouse has access to a workplace plan, for example, the role of saving may fall primarily to one spouse. Those savings are earmarked for your future

as a couple. And it's OK to check with your spouse about what they contribute to their retirement accounts—you're not being nosy. It's your retirement, too.

2. We will agree on shared financial objectives and how we will achieve them.

The key here is how you will work together. Let's take paying down debt as an example. While you're not legally bound to pay off your spouse's debt, you can't ignore it. As a household, your plan of attack may be to cut spending or make other sacrifices. Set a time-bound goal around this exercise so you stay on track and don't lose sight of your other goals.

I'm not saying this is going to be easy. If one spouse is a saver and the other is a spender, for example, compromise will be key. It may help to automate savings where possible so there's not the temptation to spend. You can budget for a little "play" money and agree that most purchases, especially big-ticket items, will be shared decisions.

3. We will keep no secrets about money.

Openly share with each other spending habits, credit scores, and any debt being brought into the relationship. For example, do you keep a budget, but your significant other wings it paycheck to paycheck? Are you still paying off a large student loan debt? Did you have a bankruptcy or other financial faux pas in your past? Understanding each other's financial position and money habits can help you better plan as a household. And no secret money stash! Unless, of course, it's for that big anniversary surprise celebration (and doesn't break your budget!).

4. We will respect yours, mine, and ours.

Some couples merge bank accounts, while others may prefer to keep things separate. Find a system that works for your situation. Combining accounts may

make it easier to manage day-to-day finances, but it doesn't have to be that way. If you've been independent and have a system you like and decide to keep accounts separate, then it needs to be clear who is responsible for paying which bills. Finally, some couples may prefer a combination: a yours, mine, and ours approach. Regardless of the system you choose, you still need to make decisions at a household level and have shared goals.

What you may want to keep separate is debt. It's a good idea to maintain your own credit standing with your own credit cards or other debt. Only take on joint debt, like a mortgage, when necessary.

5. We will protect our family financially.

Have a safety net and a plan B, including:

- [Emergency reserves](#). Set aside enough money to cover three to six months of expenses. This will help you get through financial shocks—like a large unexpected expense or job loss—without having to use a credit card or raid your retirement savings. If there's a primary earner for the household or income is less predictable, you may want to lean toward having six months of expenses stashed away.
- Insurance. Have basic insurance coverage in place, such as life, disability, and liability insurance and health coverage.
- A prenuptial agreement? A prenup isn't just for the rich and famous. Prenups may be especially important if someone has their own business, has significant assets they need to protect, or is entering a second marriage and the well-being of children needs to be considered.
- [Estate planning](#). Estate planning isn't reserved solely for the wealthy. For starters, make sure you have updated beneficiary designations

on your financial accounts. Draw up basic documents like a will (naming guardians for your children), powers of attorney, and health care directives.

6. For richer or poorer, we will keep the conversation going.

Households tend to divide and conquer. One spouse may take care of the day-to-day finances, while the other handles the longer-term investments. Both spouses, however, need to understand the entire picture of the household finances should something happen to one spouse, or the marriage. It's also helpful to have a summary of all financial accounts and insurance policies, with pertinent information and instructions for how to access the financial institutions.

Have some fun with the conversation. How about a "Finance Friday Date

Night," where you mark the "date" on your calendar to discuss and share your financial information with each other and how the household is tracking toward your goals? Or a "quarterly finance summit," when spouses can trade off planning the agenda to tackle near- or longer-term financial decisions. You can discuss a holiday shopping budget, vacation planning, or tracking progress toward retirement.

Achieving your financial goals means having shared objectives and being transparent with each other. Just like a successful marriage, it takes communication, compromise, and commitment to attain that perfect financial union.

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