

Stepping Up to Stepfamily Money Issues

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When it comes to money and remarriage, stepfamilies need to find sensitive solutions to avoid stepping on anybody's financial toes.

Money has always been a potential source of conflict in marriage and is the number one reason for divorce. So how do couples divvy up the income and cover the costs when two families with children are combined? Who gets how much and when? Who says when too much is being spent on one child and not the other? You'll need to mind over this potentially destructive money matter.

Here are some suggestions on how to make sense out of stretching limited dollars and keep you and your spouse in a better money frame of mind:

- Set up and focus on the present family budget.
- Be sure both of you are involved in decisions about how family funds are spent.
- Remind one another not to fall victim to buying your children's affection because you feel guilty about having divorced their other parent.
- Figure out ways of saying "I love you" to your children that are more meaningful than by giving gifts.
- Look for low-cost adventures and events instead of trying find extra money necessary for more traditional activities.

Some second marriage couples with children choose to set up a "three-pot money system": yours, mine, and ours.

Under this plan, you and your spouse pool resources in one bank account that will pay for joint present family expenses. Then each of you takes out an agreed-upon amount for discretionary spending. Since the extras each of you buy for your own children will come from your own individual money pot, guilt spending is easier limited and money needed for your present family remains intact.

Here's to your health and wealth.