Women: Moving Forward Financially after the Loss of a Spouse

The loss of a spouse can be a devastating, life-changing event. Due to longer life expectancies, women are more likely to face this situation. According to the U.S. Census Bureau's 2015 Current Population Survey, approximately 34% of women age 65 and older are widows compared to approximately 12% of men.

Becoming a widow at any age can be one of the most difficult challenges a woman must face. Not only is there the emotional loss of a spouse, but also the task of handling everything—including all the finances—without the help of a spouse. Even if you've always handled your family's finances, the number of financial and legal matters that have to be settled in the weeks and months following your loved one's death can be overwhelming.

Sadly, for many women, becoming a widow is a first step toward economic hardship. That's why it's critical for you to organize your finances after your spouse's death and take ongoing steps to secure your financial future and that of your family.

First, take a deep breath

Before you start handling the financial end of things, though, make sure to consider your own needs. The period following the death of a spouse can be a blur of emotions—shock, sadness, despair, anger, denial. It's important to allow yourself the freedom to feel however you want to feel. You don't owe it to anyone to feel or act in a certain way.

Facing your loss can ultimately help you as you work to adapt to the new conditions of your life, so that in time you can create something new. This period of adjustment, which can last for several years, is often a time of profound self-discovery for women, who may find themselves examining issues of identity, life meaning, and aging. During this time, it's important to surround yourself with people you trust—family, friends, support groups, professionals—who can offer support and advice that's in your best interest.

The short term: steps to take

There are several financial tasks that must be done in the weeks and months after a spouse's death. If some matters are too overwhelming to tackle alone, don't hesitate to ask family or friends for help.

Locate important documents and financial records. In order to settle your spouse's estate, you'll need to locate a number of important documents. These include your spouse's will and other estate planning documents (e.g., trust), insurance policies, bank and brokerage statements, stock and bond certificates, deeds, Social Security number, birth and marriage certificates, and certified copies of the death certificate.

Set up a communications tracking and filing system. To help keep track of all the details, set up a system to record incoming and outgoing calls and mail. For phone calls, keep a notebook handy where you can write down the caller's name, date, and subject of the call. For mail, keep track of what you receive and whether a response is required by a certain date. Make a list of the names and phone numbers of the people and organizations you're dealing with and post it in a central location. Finally, create a filing system for important documents and correspondence with separate folders for different topics—i.e., insurance, government benefits, tax information, bank records, estate records, and so on.

Seek professional advice to settle the estate and file tax returns. Getting expert help from an attorney, accountant, and/or financial and tax professional can be invaluable during this stressful time. Consider bringing a family member or friend with you to meetings so you will have an extra pair of eyes and ears to process information.

An attorney can help you review your spouse's will and other estate planning documents and start estate settlement procedures. If you are named executor in the will (or if you are appointed as the personal executor), you will need to file a probate petition with the court to begin the process of settling the estate.

An accountant can help you prepare the estate tax return and any other tax forms required by law. They can also help you determine the fair market value of assets that need to be reported on the tax return.

A financial advisor can help you make decisions about how to best invest the proceeds from the sale of your spouse's assets. They can also help you determine how much money you'll need to live on in retirement and how to best use the proceeds from the sale of your home.
You'll need to contact several Social Security Administration (SSA)--Contact the Updating your insurance coverage to reflect your You may need to contact 

Establishing a budget by looking at your monthly Updating your estate planning documents (e.g., Life insurance--Life insurance benefits are not Suggesting ways to invest any life insurance 

Calculating your net worth by identifying your Reviewing your investment portfolio at least 

Moving ahead: the big picture After the initial legal and financial matters related to your spouse's death are taken care of, you'll enter a transition phase when you'll be adjusting to your new financial circumstances. As you navigate this terrain, you might find it helpful to work with a financial professional who can help you by:

- Suggesting ways to invest any life insurance proceeds or estate settlement money you receive
- Calculating your net worth by identifying your assets and liabilities, giving you an understanding of how you'll meet your short- and long-term spending needs
- Establishing a budget by looking at your monthly income and routine living expenses, and making adjustments as needed
- Helping you update beneficiary designations on your life insurance, retirement plan, IRA, employee benefits, annuity, and so on
- Reviewing your investment portfolio at least annually
- Updating your estate planning documents (e.g., will, trust, health-care directives, power of attorney) to reflect your circumstances and your wishes for disposition of the marital estate (e.g., gifts to children, grandchildren, charities)
- Updating your insurance coverage to reflect your new circumstances

Generally speaking, women may have a different set of expectations and requirements from their financial professional than men. As you work with a financial professional, make sure he or she is responsive to what you say you need.

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Generally speaking, women may have a different set of expectations and requirements from their financial professional than men. As you work with a financial professional, make sure he or she is responsive to what you say you need, not what your advisor thinks you want. Don't be afraid to ask questions, and make sure you understand all your options before making important decisions.

As you move forward with your life, remember that at times it may be two steps forward and one step back. Take comfort in the fact that you are doing the best you can to make the best decisions--financial and otherwise--for yourself and your family.

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