

AFTER THE HONEYMOON

Want to demonstrate your true love for your new spouse? Take out an insurance policy. Compared to planning your wedding and honeymoon, buying insurance may not seem very romantic. In reality, coverage that protects you and your spouse against life's unforeseen risks is an important part of planning your life together.

LIFE INSURANCE—TO DO OR NOT TO DO

Newlyweds with children from a previous marriage and couples with only one working spouse should seriously consider purchasing life insurance for both spouses. Young married couples that both work and have no children may not need life insurance now. Most CPAs agree that there are advantages to purchasing life insurance early in life, however. Buying coverage while you're young and healthy gives you the opportunity to lock in favorable rates.

For most newlyweds, term insurance is the best way to get adequate coverage at an affordable cost. Expect to pay more for permanent life insurance, such as whole life, which offers an investment component in addition to the death benefit.

If you already have life insurance, contact your agent to have the beneficiary named on your policies changed to your new spouse.

DISABILITY INSURANCE—BETTER SAFE THAN SORRY

As important as life insurance is, statistically, young married couples are more likely to be disabled than to die prematurely. That's why disability insurance is so important. Disability insurance provides you with a monthly income in the event an accident, illness or injury leaves you unable to work. You may be able to purchase long-term disability insurance from your employer or buy it on your own. Compare policies and select the one that meets your needs at a premium you can afford. If finances are tight, you can reduce the cost by extending the waiting period before coverage begins.

HEALTH INSURANCE—DON'T BE WITHOUT IT

Increased health care costs make it more critical than ever for newlyweds to consolidate health insurance so they are not paying for duplicate coverage. If you and your spouse both have health insurance through your

employers, compare your coverage and costs to determine which plan best fits your circumstances and finances.

AUTO INSURANCE—CHEAPER FOR THE WEDDED

You'll also want to review your auto coverage. If you each have a car registered in your own name, combining them in one policy may qualify you for a multi-car discount from the insurer. Since the policy rates for married drivers are usually lower than for single policyholders, be sure to notify your agent of your marriage.

HOME OR RENTER'S INSURANCE

Renter's insurance covers the value of possessions. As you and your new spouse combine households, you'll want to drop one policy, making sure that the remaining one covers both of your possessions. A renter's policy also includes liability coverage. Your renter's policy should become effective as soon as you move in, particularly if you are not living together yet.

The main purpose of homeowner's insurance is to protect your home and your personal property from fire, theft and similar perils. In addition, homeowner's insurance, like renter's policies, provides liability coverage as well. Most lenders require homeowner's insurance to secure a mortgage.

Keep in mind that since most homeowner's and renter's policies have a limit on jewelry coverage, you may need to add a rider to your policy to cover expensive engagement and wedding rings.

SHOP AROUND FOR THE BEST COVERAGE

CPAs say that assessing and addressing your insurance needs early on will help get your marriage off on the right financial footing. To get started, you should carefully review your financial situation and objectives with a CPA who can recommend a reputable insurance adviser. 📞

