FAMILY LAW FINANCIAL DISCLOSURE

PROPERLY EXCLUDING PROPERTY

From Family Law Property Division

Start here:

What can be excluded?

- A gift or inheritance from a 3rd party, received after date of marriage
- Damages for personal injuries
- Life insurance proceeds
- Property excluded by a domestic contract

...but not if "traced" to the Matrimonial Home

1.Go the end!

You can only exclude property owned at "valuation date", as listed in your family law financial statement.

So consider if any of the excludable property was spent already. If not spent, in what form - asset, account or a right to funds - does it exist, as listed in your family law financial statement?

2.Back to the beginning!

It's important to find the document showing your initial entitlement to the funds. For example, a Will can document an inheritance.

Without a document, you can still exclude the property, but you won't be able to exclude any income earned from it.

If there is no document, find the initial deposits or transfers showing what you received, and from whom.

3.Trace!

"Tracing" means linking the initial entitlement, deposit or transfer to the existing assets on valuation date.

Tracing may entail finding old bank statements. Or you may need to create calculations if excluded funds were mixed up with other funds. It can be a bit of work, but with some diligence, you can do it!

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