



A University of Hawai'i Cooperative Extension Service Project

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Course Objectives



- Increase your knowledge about financial planning
- Improve your ability to make informed decisions



Divorce: The Financial Issues

Presenters



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Attorney at Law



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Collaborative Attorney & Mediator
Better Way Divorce (Pono Divorce)

Lesson Objectives



- Understand the basic financial model for divorce in Hawai'i
- Gain knowledge of the required financial forms
- Become aware of the difficulties, costs and time

Background Information



- Names
- Birthdates
- Occupations
- Children



Financial Forms from Family Court



- Income and Expense Statement

STATE OF HAWAII FAMILY COURT FIRST CIRCUIT	INCOME AND EXPENSE STATEMENT <input type="checkbox"/> Plaintiff <input type="checkbox"/> Defendant	CASE NUMBER FC-D No.
(Full Name) PLAINTIFF, v. (Full Name) DEFENDANT.	This document is prepared by: <input type="checkbox"/> Plaintiff <input type="checkbox"/> Defendant <input type="checkbox"/> Atty for Plaintiff <input type="checkbox"/> Atty for Defendant Name _____ Address _____ City, State, Zip Code _____ Telephone No. _____	
Employer: _____		
Occupation (Job Title): _____		
Address: _____		
Length of Service: _____ months/years. Income Tax Withholding based on: _____ dependents.		
INCOME		
Gross income paid: <input type="checkbox"/> monthly, <input type="checkbox"/> 2 times per month, <input type="checkbox"/> every 2 weeks, <input type="checkbox"/> weekly, <input type="checkbox"/> or other: _____		
Gross per pay period..... \$ _____ Per month....\$ _____		
Payroll deductions per pay period:		
Fed. income tax..... \$ _____		
State income tax..... \$ _____		
FICA (Social Security)..... \$ _____		
Union dues..... \$ _____		
a) Net per pay period..... \$ _____ Per month....\$ _____		

Financial Forms from Family Court



- Asset and Debt Statement

STATE OF HAWAII FAMILY COURT FIRST CIRCUIT	ASSET AND DEBT STATEMENT <input type="checkbox"/> Plaintiff <input type="checkbox"/> Defendant <input type="checkbox"/> Both Parties	CASE NUMBER FC-D No.												
(Full Name) PLAINTIFF v. (Full Name) DEFENDANT		This document is prepared by: <input type="checkbox"/> Plaintiff <input type="checkbox"/> Defendant <input type="checkbox"/> Atty for Plaintiff <input type="checkbox"/> Atty for Defendant <hr/> Name <hr/> Address <hr/> City, State, Zip Code <hr/> Telephone Number												
1. CASH (on hand or held by others for me): <input type="checkbox"/> None <input type="checkbox"/> \$ _____ 2. CREDIT UNION ACCOUNTS: <input type="checkbox"/> None <table border="0" style="width: 100%;"> <thead> <tr> <th style="text-align: left;"><u>Name</u></th> <th style="text-align: left;"><u>Title (Plaintiff, Defendant, Joint, Other)</u></th> <th style="text-align: left;"><u>Credit Balance</u></th> <th style="text-align: left;"><u>Debt Balance</u></th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>			<u>Name</u>	<u>Title (Plaintiff, Defendant, Joint, Other)</u>	<u>Credit Balance</u>	<u>Debt Balance</u>								
<u>Name</u>	<u>Title (Plaintiff, Defendant, Joint, Other)</u>	<u>Credit Balance</u>	<u>Debt Balance</u>											

Important Documents



- Tax Returns
- Investment Statements
- Debt Statements
- Charge Card Records
- Bank and Checking Account Records

Custody Types



- Legal Custody
 - Health
 - Welfare
 - Education
- Physical Custody



Child Support



- State of Hawai'i formula
- Child Support Guidelines Worksheet
- What income is used?

Child Support Guidelines Worksheet



STATE OF HAWAII FAMILY COURT OF THE CIRCUIT	CHILD SUPPORT GUIDELINES WORKSHEET	CASE NUMBER: FC- No. _____	
_____ Plaintiff/Petitioner/Parent (A) vs. _____ Defendant/Respondent/Parent (B)	This worksheet, and any attachments, was prepared by: _____ Attorney for: _____ Parent (A) _____ Parent (B) Name: _____ Address: _____ City, St, Zip: _____ Phone No: _____		
PARENTS' INCOMES			
	Parent (A)	Parent (B)	TOTAL (C)
1. Monthly Gross Income from all sources	[]	[]	= []
2. Monthly Net Income (from Table of Incomes)	[]	[]	= []
3. Percentage of Total Net Income on Line 2 from each parent	[] %	[] %	Round to nearest %
	<small>[Line 2(A) + 2(C)] x 100</small>	<small>[Line 2(B) + 2(C)] x 100</small>	
CHILD SUPPORT NEED			TOTAL (C)
4. Base Primary Support: (\$385) x [] (# of children)			= []
5. Plus Monthly Child Care Expense (to allow custodial parent to work or attend voc. ed. or training)			+ []
6. Plus Monthly Health Insurance Expense (for the child(ren) and paid by parents). If no insurance, use Cash Medical support amount (10% of Net Income on Line 2) [] []			+ []
7. PRIMARY CHILD SUPPORT NEED (add Lines 4, 5 & 6)			= []
STANDARD OF LIVING ADJUSTMENT (SOLA)			TOTAL (C)
8. SOLA Income (from Table of Incomes)	[]	[]	= []
9. Less PRIMARY CHILD SUPPORT NEED (copy from Line 7)			- []
10. Remaining SOLA Income (Line 8(c) - Line 9; but if result is negative enter 0)			= []
11. SOLA Percentage (10% per child, up to 30% maximum)			x [] %
12. SOLA Amount (Line 10 x Line 11)			= []
13. CHILD SUPPORT CALCULATION (Line 7 + Line 12)			= []
CHILD SUPPORT OBLIGATIONS / CREDITS			70% of Net Income:
14. Total Support Obligation for each parent (Line 13 x % in Line 3)	[]	[]	Parent (A): []
<i>Minimum: \$77 per child. Maximum: The Total Support Obligation for a parent should not exceed that parent's Net Income on Line 2, if the Net Income exceeds \$77 per child.</i>			Parent (B): []
15. Credit for Child Care Expense (for parent who pays)	[]	[]	
16. Credit for Health Ins./Cash Medical amount (for parent who pays)	[]	[]	
17. REMAINING CHILD SUPPORT OBLIGATION AFTER CREDITS	[]	[]	Round to nearest dollar

Children



- Tax Dependency Exemption
- Private School Expenses
- Extraordinary and Unreimbursed Medical Expenses

Alimony



- Disparity in income
- Ability of spouse to meet needs independently
- Standard of living
- Duration of marriage
- Age of the parties
- Ability of other spouse to pay spousal support

Summary



- Background Information
 - Court financial forms:
 - Income & Expense Statement
 - Asset & Debt Statement
 - Child Custody
 - Child Support
 - Other Child Expenses
 - Alimony

Property Division



- Every situation is different
- Please see your attorney for more information including specifics on Property Division & Property Division Categories

50/50 Property Division



50/50 Assumption:

- Marriage is like a business partnership
- Assets and debts are divided equally

Property Division Categories



Five Property Categories

1. Premarital Property
2. Growth of Premarital Property
3. Gifts or inheritances
4. Growth of Gifts or inheritances
5. Everything else not included in the above four Categories

Property Division Property



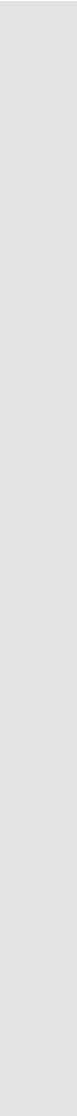
Deciding who gets what property

- 50/50 split
- Equalization payments

Property
Division
Real Estate



Real Estate Value



Property Division Retirement



Retirement

- Linson vs. Linson
- Qualified Domestic Relations Order (QDRO)

Property Division Wasting Assets



Wasting Assets



Website &
TV Channels



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- TV channels

- 354

- 355

Credits



We would like to thank the following groups for their support:

- University of Hawai'i at Mānoa
 - College of Tropical Agriculture & Human Resources, Cooperative Extension Service, Department of Family & Consumer Sciences
 - Information Technology Services-Academic Technologies
- Dean Soma
- Better Way Divorce, aka Pono Divorce