

## The “common law marriage” myth ..

There still seems to be belief in the myth that “common law marriage” exists and bestows upon the couple the same legal rights as a traditionally married couple.

So let’s give the 3.3m cohabiting couples something of a wake-up call, there is no such thing as “common law marriage”, there never has been and in all likelihood never will be!

Perhaps it is harsh to assume that couples who live together have not put in place some arrangement to protect their assets in the event of a split.

However it is estimated that around 50% of couples in this situation do still believe the myth and the idea that it somehow gives them the same rights as married couples. Even if a couple have lived together for decades they will still not get these rights.

Interestingly it is generally the younger couples who blissfully unaware and rely on “trust” within their relationship when it comes to financial matters.

The biggest financial commitment for most couples will be a mortgage and if it is a joint arrangement then the individual shares are protected in the event of a split. But what happens if the mortgage is in just one name and the other partner makes a contribution to the costs, this is where things might start to get messy.

This is where a Declaration of Trust, a legally binding agreement, becomes a vital first step, followed by a “cohabitation agreement” which in itself is not legally binding but which clearly states the way in which the financial affairs of the relationship will be conducted.

Without the use of the appropriate agreements and a small amount of time from a solicitor, the best that you will be relying on is good will in what might be an acrimonious split.

Older people sometimes assume that even if they are not married, they have rights to a partner’s pension, but this is not necessarily true.

The other person can be protected if the pension holder nominates that person as a beneficiary on a Nomination of Beneficiary form which will be held by the insurance company.

Clearly if you get married the law will protect your financial interests taking into consideration all assets not just the house or pension. But if you don’t marry it is up to you to take the sensible steps and speak to a solicitor who will guide you and recommend the best solution.

It will not be the most romantic of conversations when you sit down with your partner to discuss this matter, but when dealing with finances you have to be pragmatic and practical.



01892 612500 or 0800 668 1898



info@avtrinity.com

www.avtrinity.com



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