

Second Marriages and Life Insurance

As second marriages become more and more common, beneficiary designations become more complicated. If you are remarried, choosing a beneficiary for your life insurance policy may not be simple—especially if you have children from a previous marriage. When it comes to life insurance, how do you make sure your spouse is provided for without forgetting your children?

If you already have life insurance with your first spouse as the beneficiary, you need to make sure you can change the beneficiary. If you are divorced, you may not be able to change the beneficiary designation. Bring your divorce decree with you to an attorney so he or she can make sure you do not violate the decree. If you can't change your beneficiary, you may want to buy additional life insurance or retirement plans that will include your new spouse.

The next question is who should be the beneficiary of the policy? If you name your new spouse, your children are not guaranteed to receive any of the money. If you name your children, your spouse will not get anything. The solution may be to create a revocable trust and name the trust as the beneficiary of the life insurance policy. When you die, your life insurance policy will fund the trust. You can set up the trust however you like. For example, you could allow your spouse to access the money while he or she is alive and have the remainder go to your children after your spouse dies.

Choosing a beneficiary for a life insurance policy is not as simple as it seems. Consult with an attorney to determine what the best option in your situation is.

For more information on redoing your estate plan before you remarry, [click here](#).

For more information on trusts, [click here](#).