

What does having joint vs. separate bank accounts say about your relationship?



While couples have carved out their own solutions, especially as dual income households are more common and people are waiting longer to marry, financial experts and marriage counselors aren't sure that keeping money separate is a good idea. (Tetra Images / Getty Images)

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In homes across the country, old couples and young couples, rich couples and poor couples are arguing about money.

How they're spending their money, how they're earning the money and how well they're saving the money.

About a third of couples — even the happiest ones — argue about finances at least once a month, and 73 percent say they have money management styles that are different from their partners, according to a [2016 study](#) of couples between the ages of 25 and 70 by Ameriprise Financial Inc. Another [study by Money Magazine](#) found that 70 percent of married couples fight about money more than chores, snoring, sex and deciding what's for dinner.

So some couples have raised the white flag and are axing their money issues. They're simply not sharing money anymore.

When they were dating, Cynthia Burgos' now husband of three years was really bad with his finances, she said.

"He got himself into a few pickles," said Burgos, 29, a Chicago teacher, who had always been good about saving money. "I basically told him to shape up or we couldn't be together."

Her husband, Julio, a medical assistant, slowly got better at managing his money, but the pair decided to keep their finances separate, so they wouldn't argue about money.

"It worked when we bought our house together, and I figured, why should we fix something that isn't broken when we get married?" Burgos said.

Since she makes more money, Burgos pays the mortgage, one-third of the assessments, her car note, her credit cards, two-thirds of day care and her phone bill. Her husband pays the electric, cable and internet bills, one-third of day care, two-thirds of the assessments, his car note, student loans and his credit cards. They alternate on groceries and split the bills for their son.

More and more couples are choosing to separate at least some of their bank accounts.

A [survey by TD Bank](#) found that nearly half of couples with joint bank accounts also have individual bank accounts.

Couples most commonly cited independence for the reason they wanted separate accounts, though 43 percent of women said independence was their top motivation, compared with 34 percent of men. Twenty percent of couples said they kept separate accounts to make sure they had enough money for individual needs.

But while many couples have carved out their own solutions — especially as dual-income households are increasingly common and people are waiting longer to marry — financial experts and marriage counselors aren't so sure that keeping money separate is a good idea.

"By having a joint account, a couple declares to one another that the rewards of their individual endeavors are jointly owned — they work for one another, not just themselves — and their dreams are inexorably intertwined," said Forrest Talley, clinical psychologist with Invictus Psychological Services in California. "In order to be successful, the couple must constantly work on aligning their goals, demonstrating respect for what each of them holds most important, and trust that the other will not selfishly take money to satisfy their own individual needs above those of their spouse."

When done well, Talley said, the joint account can lead to a stronger relationship in the same way that a team that practices together and wins the championship becomes closer: They're both heading toward a common goal.

But if communication is lacking or monetary trust is broken, the joint bank account can be the thing that creates endless friction and can even lead to divorce, Talley said.

If one person is skipping his daily Starbucks runs so they can save money for a house, while the other is going on weekly shopping sprees, then friction could disrupt their common saving strategy.

If that can't be resolved, an option is to pool all the money into a joint account to pay the bills and to save money — and then set up separate accounts with an equal and agreed-upon amount of discretionary fun money, said Dusty Williams, a licensed psychotherapist in Jacksonville, Fla.

“This approach allows for independence and fairness, and often eliminates the conflict around the issue,” Williams said.

The answer to whether to merge finances is never one-size-fits-all, said Merle Yost, a licensed marriage and family therapist in Santa Barbara, Calif.

“The American fantasy is that once you couple and marry, you merge everything: family, money, households and food,” Yost said. “But if two people have very different diets, does that mean they cannot or should not eat together?”

The amount that each couple will merge will vary, depending on their individual situation.

But, Yost said, “a red flag would be feeling pressured into doing what is expected to make the other person comfortable, even if it does not make you comfortable.”

That goes for every situation.

Danielle Braff is a freelancer.

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