

Legal Moments

Denis Burns - Legal Moment - What is Net Family Property? (Feb 2019)

[phone ringing]

Receptionist: Cohen Highley

Announcer: And now the Cohen Highley Legal Moment on Fresh Radio.

Announcer: I'm here with Denis Burns from the Family Law Department of Cohen Highley Lawyers. What is net family property?

Denis Burns: Net family property is the net worth each married spouse accumulates from the date of marriage to the date of separation when there is no reasonable chance that they will resume cohabitation, which we call the valuation date.

Announcer: How is net family property determined?

Denis Burns: A spouse's net family property is that person's net worth on the valuation date minus his or her net worth on the date marriage and minus any excluded property.

Announcer: So, say the calculations for one individual has a value of \$300,000.00 and the other has a value of \$100,000.00.

Denis Burns: The person with the higher net family property will have to pay the other what is called an equalization payment. For example, if one person's net family property is \$300,000.00 and the other is \$200,000.00, the difference is \$100,000.00 and the person with the higher net family property will have to pay the other one half of the difference, which is \$50,000.00.

Announcer: Thanks Denis. This has been the Cohen Highley Legal Moment.

[Music]

Singers: Cohen Highley, we're listening.

Announcer: cohenhighley.com