

# How to Break Up Without Going Broke



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UPDATED MAY 21, 2021

Breakups are hard on your heart, but they can be just as tough on your wallet.

“Money, in general, can be stressful,” says **Steve Bridge, certified financial planner with Money Coaches Canada**. “Money is the number one thing that couples fight about, and you put a breakup and money together and it’s super stressful.”

Even in the best of cases, a breakup can still come back to haunt you — and your credit card. It could be a random Amazon order charged to the account you shared or a utility bill from 10 years ago that your ex never paid.

Whether you are preparing for a breakup, or still reeling from one, this checklist will help you protect your finances today, and in the future. So even if your heart is ruined, your credit won’t be.

## Change your passwords, like, right now

You may not need to jump and change every password to *every* account you’ve ever owned, but it’s worth changing the big ones.

“I think if your Netflix password is the same as your banking password, or if you share banking passwords, then absolutely [change them],” Bridge says. This way, if things go south, only you can access your paycheque.

## Get bank accounts and credit cards in your name only

If you share a bank account, credit card or even an Amazon Prime account, things can get messy. Even if the breakup isn’t that bad, you may find that your ex used the joint credit card for their own personal spending.

“Close them. Get your name off them in case the other person runs them up and goes on a spending spree,” Bridge warns. “Because a joint one, you are financially responsible. You are liable for that money.”

But first, get bank accounts set up on your name only. This gives you a safe place for your paycheque, where it can’t be spent by the other person. This is especially important if you are leaving an abusive relationship, or someone with addiction issues.

## Have some breakup cash ready

An emergency fund is always a good idea. You never know when you could lose a job, get dumped or both. “You may have to suddenly rely on your own resources,” Bridge says. A bit of back-up cash, in an account only you can access, can cover unexpected costs and help back on your feet faster.

## Rethink your budget

If you’re living with your partner, a breakup means your living arrangements might change. You may not be splitting rent, utilities, food or other bills with a partner anymore. “Single life is more expensive than couple life,” Bridge says.

You may need to find a new place to live, fast. Before you throw money at the first apartment you can find, take a real look at your finances and figure out how much you can realistically afford per month, and for how long.

“You may have to manage your expectations with regard to where and how you live,” Bridge adds.

## Change your mailing address

If you’re moving, Bridge suggests forwarding your mail to a new address. This way you won’t miss important documents that could end up being delivered to your ex. “Depending on how it ends, the person looks at it and tears it up and you didn’t get your tax notice or your bill payment notification,” he says.

Missed payments can affect your credit score, and missing notifications from the Canada Revenue Agency can land you in trouble. You could also miss cheques! A few months will give you time to update your address on important accounts, and remind you to take yourself off the utility bill, or internet at your old place.

## Remember your benefits and beneficiaries

If you’re coupled up, you may be on your partner’s dental plan or be listed as their emergency contact. When you break up, it’s important to evaluate your healthcare options and budget for them, especially if you have prescriptions or want to keep getting massages. If you have to talk to your HR department anyways, it’s worth changing your emergency contact while you’re at it. Same with your RRSP, TFSA and investments. Check who is entitled to receive them if you croak, and consider changing them to someone you’re closer to in general.

## Don’t be afraid to seek legal advice

If you are in a long term relationship, have joint assets like investments or a mortgage you may need legal advice on how to untangle and divide things.

“These apply to different people in different ways,” Bridge says, adding that the situation might depend on how long the relationship has been, if there’s common properties or if kids are involved. Emotions run high during a breakup, which is why it is important to seek outside advice sometimes. Find someone you can trust, and will help inform you of your rights.