

Matheu Nunn Answers Post-Divorce Settlement Question in MarketWatch Column The Moneyist

MarketWatch's The Moneyist columnist reached out to Matheu Nunn to answer a reader's question about a post-divorce dispute over a tax-advantaged 529 account. The reader said she had opened the educational funds for each of the couple's four children shortly after they were born. Since only one person can be listed as the account owner, during the couple's marriage, the wife owned, managed, and contributed monthly to each fund from a joint checking account. The husband knew about the funds, but they were not included in their divorce settlement. Now, eight years later, the ex-husband is going to court, seeking 50 percent of the money contributed to the accounts, which have greatly increased in value.

As a divorce lawyer who has represented many high-profile and high-net-worth individuals, Mat has extensive experience navigating such challenging financial matters.

In his response to the reader, he reminded that divorce agreements are contracts, which like any contract are presumptively enforceable. However, he noted that in nearly every state, the distribution of assets like a 529 plan in a divorce is guided by principles of equity and fairness. He said a judge, for instance, would want to know whether the omission of the 529 plans from the agreement was accidental or intentional.

"A judge would want to know whether you made any additional contributions after the complaint for divorce had been filed," he added. "If so, your ex-spouse would not be entitled to any post-complaint contributions made by you."

Read the full MarketWatch column [The Moneyist "My ex-husband is suing for half of the 529 plans I set up for our children — eight years after our divorce. Is he entitled to plunder these accounts?"](#) (Subscription may be required.)