

Understanding California Community Property & Divorce: Your Complete Guide to Asset Division

What exactly is California's community property law and how does it affect divorce settlements?

California is among six to nine states with community property laws, making property division more straightforward than equitable distribution states. The basic principle is that assets acquired during marriage (between the date of marriage and separation) are considered community property. This follows the general 80-20 rule" - where 80% of cases are within the general principles of community-property laws regarding division, while 20% involve exceptions of how any particular asset or debt will be divided. For instance, even if an asset is in one spouse's name, it's still considered community property if acquired during marriage.

How are assets handled when they're only in one spouse's name?

Generally speaking, despite being in one spouse's name, assets acquired during marriage are still considered community property. For example, if a house is purchased during marriage but only one spouse is on the title (perhaps due to credit score issues), it's still considered community property. The same applies to vehicles, retirement accounts, and other assets acquired during marriage, regardless of whose name appears on the documentation.

What happens when there's confusion about property division after the divorce is finalized?

Confusion often arises when parties didn't have proper legal representation or proper legal assistance, such as coaching, during their divorce proceedings. This can lead to unfair settlements, like one spouse giving up rights to community property retirement accounts in exchange for keeping separate property jewelry. While these agreements are typically binding once finalized, having, at the very least, legal coaching during the process can prevent such misunderstandings.

How are assets acquired between separation and divorce finalization treated?

Assets acquired after separation but before divorce finalization can be complicated. The key factor is the source of funds used to acquire these assets. If community property funds were used to purchase new assets after separation, these assets may still be subject to community property division. Additionally, disputes about the actual date of separation can affect property division during this period.

How are debts divided in California divorce?

Generally, debts incurred during marriage for the benefit of the community are divided equally. However, exceptions exist - for example, debts incurred for non-community purposes (like expenses related to extramarital affairs) may be assigned solely to the responsible spouse.

What can someone do if they discover undisclosed assets after divorce?

If a spouse failed to disclose assets during the divorce process, especially on mandatory disclosure forms signed under penalty of perjury, the court can revisit the property division—even after the divorce was finalized. Working with an experienced family law attorney can help identify potential fraud or intentional omissions and pursue legal remedies to address these issues—before the judgment is finalized by the court.

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