

New Dependent Checklist

ANDERS CPAS + ADVISORS

OBTAIN SOCIAL SECURITY NUMBER

Most hospitals have an option to request a social security number on the birth registration form. If not, you can visit your local Social Security Administration office and request a number. You'll need this to claim your child on your tax return.

OBTAIN A BIRTH CERTIFICATE

A birth certificate is generally not sent to the parents, you must request one from your County's health department.

REGISTER FOR HEALTH INSURANCE

Review coverage to determine which health insurance plan will cover the child.

ANALYZE LIFE INSURANCE

This is a good time to review current coverage to determine if still adequate, and if your newborn should have coverage to protect future insurability or in the event of a tragic accident.

UPDATE BENEFICIARIES ON ASSETS

Specifically secondary/contingency beneficiaries may need to be updated on IRAs, 401(k)s, pension plans, life insurance policies and bank accounts.

ANALYZE HOUSEHOLD BUDGETING

Plan a budget to get an idea of what your new monthly bills will be, how much additional you need to save, and how much disposable income you will have.

PLAN FOR COLLEGE SAVINGS

It is never too early to think about college savings. Section 529 Educational Savings Plans and Coverdell Education Savings Accounts allow earnings to grow tax-free if the money is used to pay for qualifying college expenses.

UPDATE EMPLOYER W-4 FOR CHANGE IN ALLOWANCES AND TAX WITHHOLDING

Claiming an extra dependent may lower your income taxes so you may be able to cut back on tax withholding from your paycheck.

CONSIDER A DEPENDENT CARE REIMBURSEMENT ACCOUNT

These accounts, often referred to as Flex Plans, let you divert up to \$5,000 a year of your salary into a special tax-advantaged account. You can use these funds to pay for child care expenses while you work.

REVIEW WILLS/TRUSTS

Update your Will or Trust for your new dependent and designate a guardian.