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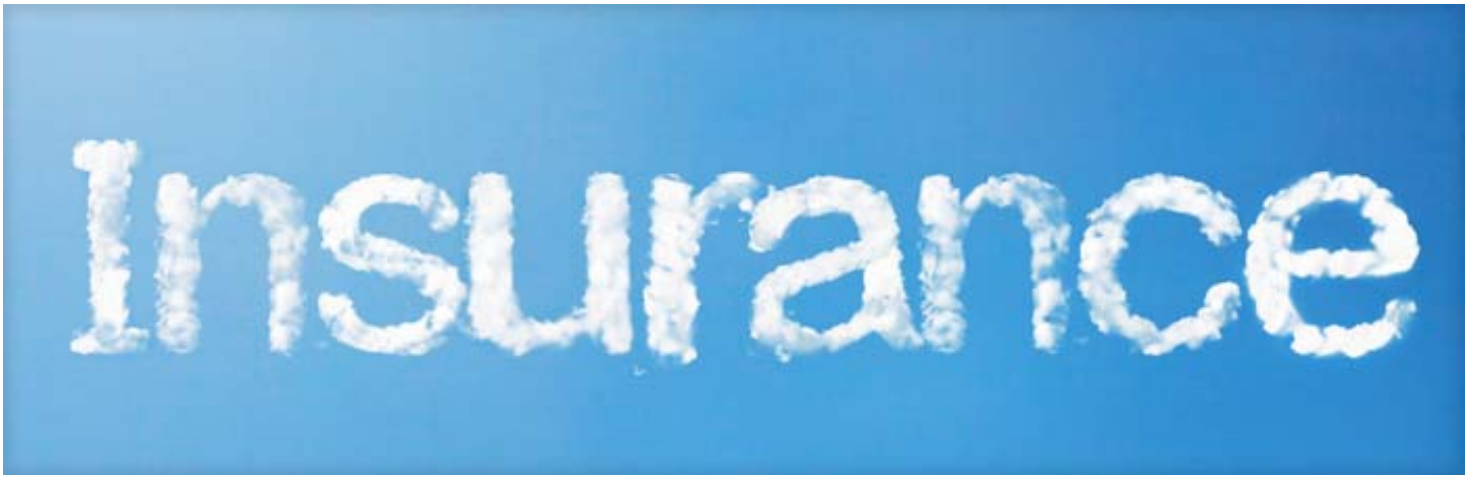
When Do I Need to Sign Up for Life Insurance?



by Briana Fabbri on February 10, 2014

in [Health, Personal Finance](#)

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Life insurance can certainly give your loved ones peace of mind in the event of your passing, but it's not something that many young people consider purchasing. It can easily be put off until it is too late. So, when is it appropriate to start researching and purchasing life insurance? We spoke with some experts to get their take.

Young, single, no dependents? Don't worry about it.

If you're young and have no dependents, there's no need to purchase it. "In this case, life insurance would not be 'appropriate' and [the individual] would not need to get it until they have a major life event, kids, or other family that would depend on their income," Michael J. Gauthier of [Strategic Income Group](#) explains.

Chad Nehring of [Conceptual Financial Advisors, LLC](#) agrees, "In most cases, young adults need not worry too much about life insurance until a 'life event' happens. Most of the time, if they take a minimal amount offered by the employer (\$10,000 or a year's salary, whatever it happens to be) this will be more than enough to take care of any final expenses. More could be added if there are school loans, etc. that need repayment, but generally an employer offering will suffice."

Are you, or is your partner, the breadwinner in the relationship? Consider it.

Typically, marriage is one of the "life events" that could cause an individual to get life insurance. Matthew Barrett of [CBP](#) points out, though, that it might not be necessary for all couples. "Married couples with equal incomes that don't rely on each other financially may not need coverage." Carlos P. Sava of [Clarendon Capital Management LLC](#) explains further, "It should typically only be taken out on a spouse who is earning 1/3 or greater of the combined income."

Have a co-signer on your outstanding debts? Consider it.

If you don't have dependents, you might not need life insurance. If, however, you have outstanding debts, it might be worth researching. "The most common need for life insurance for the single and childless would be to cover the cost of any debt that also has a co-signer," Ozeme J. Bonnette of [Tri-Quest Investment Advisors](#) explains. "For example, if a person has a co-signer on a car or home, the surviving debtor is still financially responsible. It would be helpful if there are life insurance proceeds available to take that burden off of the co-signer."

"Many young adults don't realize this but student loan debt may also be a trigger for life insurance," Jennifer Fitzgerald of [PolicyGenius.com](#) explains further. "If an individual has a considerable amount of private student loan debt, which was co-signed by someone else (e.g., a parent), they should consider getting term life insurance to protect their co-signer. A simple declining term life policy (that goes down in face amount as the loan balance

declines) would be a good choice here.”

Have dependents? Take the jump.

As Matt Becker of MomandDadMoney.com says, “People need life insurance as soon as they have other people who depend on them financially.” While this often means having children, it can also apply to anyone who has someone else relying on their paycheck. Lindsey Pollak of The Hartford’s My Tomorrow campaign found that life insurance could be appropriate for a large percentage of workers and even young adults who don’t even realize it. Specifically, The Hartford’s recent research found that 60 percent of full-time workers have someone else relying on their paychecks, 36 percent of Millennials (ages 18 – 34) have kids relying on their income, and 10 percent of Millennials have parents depending on their salary. If you fall into any of those categories, it’s time to consider life insurance. And if you’re expecting a child, the time to act is now! “Life insurance should be purchased no later than the arrival of a child,” Carlos P. Sava advises.

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Last updated by [Briana Fabbri](#) at February 17, 2014.

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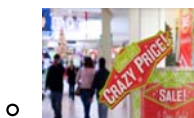
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