

IN THE COURT OF APPEALS OF IOWA

No. 6-457 / 05-1527
Filed September 7, 2006

**IN RE THE MARRIAGE OF JACQUELINE BECKMAN
AND MATTHEW BECKMAN**

Upon the Petition of

JACQUELINE BECKMAN,
Petitioner-Appellee,

And Concerning

MATTHEW BECKMAN,
Respondent-Appellant.

Appeal from the Iowa District Court for Chickasaw County, Stephen C. Clarke, Judge.

Matthew Beckman appeals following the entry of the decree dissolving his marriage to Jacqueline Beckman. **AFFIRMED.**

Dedra Schroeder of Schroeder Law Office, Charles City, for appellant.

Richard D. Stochl of Elwood, O'Donohoe, Stochl, Braun & Churbuck, New Hampton, for appellee.

Considered by Mahan, P.J., and Hecht and Eisenhauer, JJ.

HECHT, J.

Matthew Beckman appeals following the entry of the decree dissolving his marriage to Jacqueline Beckman. Because we believe the decree achieves an equitable division of the parties' property, we affirm.

Background Facts and Proceedings.

Matthew and Jacqueline Beckman's marriage was dissolved by order of the district court on September 5, 2005. Prior to the dissolution, the parties entered into a stipulation as to the custody and support for the two children who were born during the marriage. The fighting issue during the trial was the division of the parties' assets. At the time of trial, those assets were meager, consisting primarily of two vehicles, a variety of guns and equipment, and Matthew's 401(k). The value of those assets totaled \$12,294.00.

In 2001, Jacqueline inherited \$26,000 from her mother's estate. The parties used much of this money to build a utility shed, pay off car loans totaling \$8900, pay bills related to the births of their children, purchase two guns, and pay rent, utilities, and other family expenses. Jacqueline used some of the inherited money to take the children on a trip to California. At the time of their separation, approximately \$3000 of the inheritance remained. At trial, Matthew asked that "the inherited property be treated as marital property."

In its dissolution decree, the district court first declined Matthew's request to treat the inheritance as marital property. Noting that Matthew had presented no evidence of a close, independent relationship with Jacqueline's mother, and that Mathew could not identify special needs that would make it inequitable to set the inheritance aside for Jacqueline, the court ordered Matthew to pay

Jacqueline \$13,091.65, plus interest, to restore to her an amount equal to approximately one-half of the inherited funds expended for family purposes during the marriage. In addition, the district court awarded Jacqueline assets worth \$5475, allocated assets worth \$6819 to Matthew, and ordered Matthew to pay \$1200 toward the parties' outstanding medical bills.

On appeal, Matthew argues the court erred in ordering him to reimburse Jacqueline for a portion of the money she inherited from her mother. He claims it is inequitable to divide "an asset that no longer exists because it was expended during the marriage."

Scope of Review.

Our standard of review in dissolution-of-marriage proceedings is de novo. *In re Marriage of Smith*, 573 N.W.2d 924, 926 (Iowa 1998). We examine the entire record and adjudicate rights anew on the issues properly presented to us. *Id.*

Inherited Property.

An equitable distribution of the parties' property must be made according to the criteria set forth in Iowa Code section 598.21(1) (2005). *In re Marriage of Gonzalez*, 561 N.W.2d 94, 98 (Iowa Ct. App. 1997). An inheritance received by a spouse during the marriage is not subject to property division unless the failure to do so would be inequitable to the other spouse or the children. Iowa Code § 598.21(2); *In re Marriage of Steele*, 502 N.W.2d 18, 20 (Iowa Ct. App. 1993). This rule is followed even when the gifted or inherited asset has been placed in joint ownership, or replaced with another asset. *In re Marriage of Hoffman*, 493 N.W.2d 84, 89 (Iowa Ct. App. 1992).

In *In re Marriage of Harberts*, 492 N.W.2d 435 (Iowa Ct. App. 1992), our court addressed a similar scenario in which, during the parties' marriage, the wife received a gift of \$2300. The gift was deposited in a joint account and was used for household improvements, payment of household bills, and payments on a vehicle loan and credit card bills. *Harberts*, 492 N.W.2d at 437. On appeal, Mr. Harberts argued the district court erred in awarding his former wife the \$2300 gift she received during the marriage because the money was commingled with marital assets and spent on routine family expenses. *Id.* We affirmed, stating: "Based on the short length of the marriage and the purposes for which the money was spent, we find the district court did not err in awarding Connie reimbursement for the gift she received during the marriage." *Id.*

We similarly find appropriate the district court's resolution of the inheritance issue as part of the property division in this case. In view of the purposes for which the inherited funds were spent by the parties and the absence of a close, independent relationship between Matthew and Jacqueline's mother, we believe the district court achieved equity by requiring Matthew to restore to Jacqueline the value of her inheritance. We therefore affirm the decree dissolving the parties' marriage.

AFFIRMED.