"I don't believe in marriage."

My friend Marissa, who's a successful stockbroker, announced to a group of friends one night over cocktails at a downtown Toronto lounge. "I just don't want all the hassles that come with it—like divorce," she added. That comment struck me as funny, since Marissa's boyfriend, a night manager at a pizza joint, had been living with her for four years.

"Guess what?" I chimed in. "In the eyes of the law, you are married for all intents and purposes. What's yours is his, what's his is yours." Her face went white and her jaw dropped. "Congratulations," I said. "You're accidentally married."

It's amazing how few women know that cohabitation can put you in a similar position as a legally wedded wife—for better or worse. Living together seems like a more attractive option than marriage for many. In fact, the 2006 Statistics Canada Census report says that 10.8 percent of couples are common law, compared to just 3.8 percent in 1981, when the government started counting cohabiting twosomes. What you should know, though, is that in those intervening 25 years, a lot has changed.

"The legal differences between marriage and cohabitation are melting before our eyes," says Lloyd Duhaime, a family law lawyer in Victoria and the creator of Duhaime.org, a legal-information site. "Those differences are getting smaller and smaller." And
depending on which side of the financial side of the fence you sit—whether you're the have or the have not—this could potentially be good news or your worst nightmare.

For a woman with a good job who has assets such as a house, a business or a hot BMW convertible, her hooking up with a sensitive songwriter who has only a guitar and some lyrics written on a cocktail napkin to his name puts her at risk financially. If they split up, he has a legal claim to a portion of her pension money and, perhaps, an interest in the home she bought, not to mention she may be exposed to spousal support as well. Consider that good reason to rip off those blinders of love when it comes to playing house.

The most important thing to determine first is, based on where you live, the length of time outlined by law that dictates when you've gone from simple shacking up to actually living common law. And exactly where that legal threshold lies varies on who's looking at the relationship. For the purposes of your Canada Pension Plan and income tax, the Canadian federal government considers you common law after living together in a conjugal relationship for at least one year. Provincial governments, however, hold the lion's share of jurisdiction over cohabitation laws and each has its own version.

In British Columbia, you're considered to have crossed the legal threshold after at least two years of a "marriage-like" relationship, and the legislation only implies it to be continuous. In the legal language of Alberta, on the other hand, you're not "cohabitating" at all. You're considered to be in "an adult interdependent relation-