

## MY LIFE INSURANCE WORKSHEET

### Income Needs

**1. Annual income your family would need if you die today (typically between 60% and 80% of total income).**

*Consider any lifestyle changes, and include any current expenses such as mortgage/rent, groceries, clothing, utility bills, entertainment, travel, transportation, child care, and anything else you can think of:*

**Line 1:** \_\_\_\_\_

**2. Annual income available to your family from other sources**

*Include all salaries, dividends, interest, current (or estimated), social security benefits, property rental income, along with all other sources of income:*

**Line 2:** \_\_\_\_\_

**3. Annual income to be replaced:**

*(Subtract line 2 from line 1)*

**Line 3:** \_\_\_\_\_

**4. Funds (Capital) needed:**

*(Multiply line 3 by the appropriate factor)*

- 10 years x 8.1
- 15 years x 11.1
- 20 years x 13.6
- 25 years x 15.6
- 30 years x 17.3
- 35 years x 18.7
- 40 years x 20.0

**Line 4:** \_\_\_\_\_

*(Enter the calculation from for the number of years coverage is needed for your family)*

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Family May Depend  
On It One Day.



## Expenses

**5. Funeral Expenses (average cost of an adult funeral is about \$10,000):**

**Line 5:** \_\_\_\_\_

**6. Administrative Expenses (also referred to as an Emergency Fund and/or Final Expenses).**

*This can be approximately six months or 50% of the higher wage earner's annual salary, and can vary for cleaning up the affairs of the deceased, e.g., advisor fees, filing taxes, etc.:*

**Line 6:** \_\_\_\_\_

**7. Mortgage and other outstanding debts (credit card debt, car loans, home equity loans, etc). It may make sense to pay off these debts depending upon the survivor's income:**

**Line 7:** \_\_\_\_\_

**8. College costs\*\***

For the years 2013-2014, the cost of a four-year education was \$120,780 (public) and \$169,160 (private). (Calculated from [www.scholarshipworkshop.com](http://www.scholarshipworkshop.com); accessed February 11, 2013.)

Multiply this by the number of children and keep in mind that these costs are increasing more rapidly than inflation.

**Line 8:** \_\_\_\_\_

**9. Capital needed for college\*.**

*Multiply line 8 by the appropriate years before college factor – 5 years X .82; 10 years X .68; 15 years X .56 and 20 years: X .46*

Enter the calculation from above that applies to you here:

**Line 9:** \_\_\_\_\_

**10. Total capital required.**

*Add lines 4, 5, 6 and 9:*

**Line 10:** \_\_\_\_\_

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## Assets

Keep in mind that current asset value may be considerably different at time of liquidation and the value may be significantly discounted due to a forced sale of real estate, family business or other investment.

**11. Bank accounts, money market accounts, CDs, stocks, bonds, mutual funds, real estate:**

**Line 11:** \_\_\_\_\_

**12. Retirement savings IRAs, 401(k)s, Keoghs, pension and profit sharing plans:**

**Line 12:** \_\_\_\_\_

**13. Present amount of life insurance (including group life insurance, assuming that it will continue):**

**Line 13:** \_\_\_\_\_

**14. Total income producing assets**

*Add lines 11, 12 and 13*

**Line 14:** \_\_\_\_\_

## Summary

**15. The Amount of Life Insurance Needed**

*(Subtract Line 14 from Line 10)*

**Line 10:** \_\_\_\_\_

This is a great starting point for your conversation with a **Retirement Life Solutions Specialist**. They will use this information to help find the lowest policy that will fit your specific needs. Find a local Retirement Life Solutions Specialist at [www.lifeinsurancethinktank.com](http://www.lifeinsurancethinktank.com).

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