



# How much life insurance do you need?

<b>1. Annual earned income your family / business would need if you died</b> Include all sources of income																										
<b>2. Total income multiplier</b> Factor represents the number of years for which funds would be needed																										
<table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="padding: 5px;">AGE 20-30</td> <td style="padding: 5px;">AGE 31-40</td> <td style="padding: 5px;">AGE 41-50</td> <td style="padding: 5px;">AGE 51-60</td> <td style="padding: 5px;">AGE 61 &amp; up</td> </tr> <tr> <td style="padding: 5px;">20</td> <td style="padding: 5px;">16</td> <td style="padding: 5px;">12</td> <td style="padding: 5px;">8</td> <td style="padding: 5px;">5</td> </tr> </table>	AGE 20-30	AGE 31-40	AGE 41-50	AGE 51-60	AGE 61 & up	20	16	12	8	5																
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<b>3. Amount of income needed as result of loss of income</b>																										
<b>4. Funeral and other final expenses can</b> Range between \$10,000 to \$20,000																										
<b>5. Mortgage and other outstanding debts</b> Include mortgage, credit card debts, car loans, home equity, etc.																										
<b>6. Education expenses</b> 2017-2018 Average annual college costs* : \$34,740																										
<table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th style="width: 15%;"></th> <th style="width: 25%;">ANNUAL AMOUNT</th> <th style="width: 5%;"></th> <th style="width: 30%;"># OF YEARS IN COLLEGE</th> <th style="width: 25%;">TOTAL COST (\$)</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">Child 1</td> <td></td> <td style="padding: 5px;">x</td> <td></td> <td></td> </tr> <tr> <td style="padding: 5px;">Child 2</td> <td></td> <td style="padding: 5px;">x</td> <td></td> <td></td> </tr> <tr> <td style="padding: 5px;">Child 3</td> <td></td> <td style="padding: 5px;">x</td> <td></td> <td></td> </tr> <tr> <td colspan="5" style="padding: 5px;"> </td> </tr> </tbody> </table>		ANNUAL AMOUNT		# OF YEARS IN COLLEGE	TOTAL COST (\$)	Child 1		x			Child 2		x			Child 3		x								
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<b>7. Total income required</b> (add line 3,4,5 and 6)																										
<b>8. Savings</b> Bank accounts, ira's, 401(k) plans, stocks, bonds, real Estate / rental property etc.																										
<b>9. Present amount of life insurance</b> Include group of personal insurance																										
<b>10. Total current protection</b> (add line 8 and 9)																										
<b>11. Additional life insurance needed</b> ( subtract line 10 from line 7)																										

\* Based on 2017-2018 values available on CollegeBoard.com