



Insurance

Worksheet: Calculate your needs

Add lines 1, 2 and 3 to determine the immediate and long-term expenses your death benefit should cover. Subtract line 4, which includes other sources of income your survivors will have. Multiply line 5 times line 6, the number of years you expect income to be needed. The result, in line 7, is the death benefit that's needed.

1	Final expenses		\$ _____
2	Outstanding debts		+ \$ _____
3	Annual living expenses		+ \$ _____
	Mortgage	\$ _____	
	Other living	\$ _____	
	Food	\$ _____	
	Transportation	\$ _____	
	Insurance	\$ _____	
	Other	\$ _____	
4	Dependents' income		- \$ _____
	Salary	\$ _____	
	Investment income	\$ _____	
	Social Security	\$ _____	
5	Additional income needed		= \$ _____
6	Number of years income will be needed		x _____
7	Death benefit needed		= \$ _____

If you want to add money to pay off the mortgage or fund one or more college educations, add these amounts to the amount in line 7. While your survivors should invest the money they don't need immediately to provide future income, remember that inflation is likely to drive up the cost of most things.