

**How much insurance do I need?**

*What you want for them is immeasurable. But the amount of life insurance your need is easy to determine.*

# Life Insurance Quick Estimator

Client Name \_\_\_\_\_

Agent \_\_\_\_\_

Date \_\_\_\_\_

**INCOME**

1. **Annual before tax income your family would need if you died today**  
Typically between 60% and 80% of total income. Include all salaries, dividends, interest and any other sources of income.
2. **Annual income available to your family from other sources**  
Include dividends, interest, and spouse's earnings (Social Security may be available)
3. **Annual income to be replaced** (Subtract line 2 from line 1)
4. **Capital needed for income**  
Multiple line 3 by the appropriate factor below

Years Income Needed	10	15	20	25	30	35	40	45	50
Factor	8.8	12.4	15.4	18.1	20.4	22.4	24.1	25.6	26.9

1. \$ \_\_\_\_\_
2. \$ \_\_\_\_\_
3. \$ \_\_\_\_\_
4. \$ \_\_\_\_\_

**EXPENSES**

5. **Funeral and other final expenses**  
Typically the greater of \$15,000 or 4% of your estate
6. **Mortgage and other outstanding debts**  
Include mortgage balance, credit card debt, car loans, home equity loans, etc.
7. **College costs**  
2007-2008 average annual costs at four-year colleges and universities:  
Public - \$17,366; Private - \$35,374

5. \$ \_\_\_\_\_
6. \$ \_\_\_\_\_

	Annual Amount	X	# of Years in College =	Total Cost (\$)
Child 1		X		
Child 2		X		
Child 3		X		
Child 4		X		
Child 5		X		
Total capital needed for college				

8. **Total capital required** (Add lines 4, 5, 6 and 7) \_\_\_\_\_

**ASSETS**

9. **Savings and investments**  
Bank accounts, CDs, stocks, bonds, mutual funds, real estate/rental property, etc.
10. **Retirement savings**  
IRAs, 401(k) plans, SEPs, pension and profit sharing plans
11. **Present amount of life insurance**  
Include group insurance and personal insurance purchased on your own
12. **Total of all assets** (Add lines 9, 10 and 11)
13. **Estimated amount of additional life insurance needed** (Subtract line 12 from line 8)

7. \$ \_\_\_\_\_
8. \$ \_\_\_\_\_
9. \$ \_\_\_\_\_
10. \$ \_\_\_\_\_
11. \$ \_\_\_\_\_
12. \$ \_\_\_\_\_