

How Much Life Insurance?

LIFE INSURANCE NEEDS ANALYSIS

Use the following information to complete the attached worksheets in order to help determine how much life insurance you and your spouse may need to help protect your family.

CURRENT CASH NEEDS

FINAL EXPENSES

This would include estate taxes (if your estate is worth more than the exempted amount), probate costs, funeral expenses and medical costs for any bill which your health policy would not cover.

EMERGENCY FUND

Some financial experts recommend that you set aside two months' salary for any household or personal emergency that might arise. Of course, your emergency fund can be larger or smaller, depending on your family's circumstances.

MORTGAGE BALANCE

It is a good idea to select a life insurance benefit large enough to pay off the existing mortgage balance, unless you have credit life insurance in place.

OTHER LOANS PAYABLE

List all your current outstanding debts, such as auto loans, personal loans, credit card balance, etc.

EDUCATION-ESTIMATED PRESENT COLLEGE COSTS*

Figure the future total college expenses for your children. The current average costs are \$38,589 per year for a four-year private school, and \$17,131 per year for a four-year public school at in-state tuition rates. These figures estimate total tuition, room, board, supply, and transportation costs.

*Source: From the Annual Survey of Colleges 2010.