

## Calculating Your Salary Requirements

	Description	Periodic amount	No. of periods	Total for year
1	Required Expenditures: (round to dollars)			
2	Mortgage payments/Rent			
3	Insurance – house			
4	Insurance – autos and trucks			
5	Insurance – life			
6	Groceries			
7	Clothing			
8	Utilities – electricity			
9	Utilities – gas			
10	Utilities – water, trash, sewer			
11	Car and truck loan payments			
12	Household and garden – consumables & maintenance			
13	Autos and trucks – gasoline			
14	Autos and trucks – maintenance & repair			
15	Cable/Satellite – TV and Internet			
16	Gifts and donations			
17	Education – loan repayments			
18	Property taxes			
19	HOA fees			
20				
21	Total Required Expenditures (lines 1 – 20)			
22	Add income taxes to Required Expenditures (See e. – h. below)			
23	<b>Breakeven Salary</b> (lines 21 and 22)			
24	Lifestyle Expenditures: (round to dollars)			
25	Eating out			
26	Entertainment – movies, amusement parks, etc.			
27	Vacations, holidays			
28				
29				
30	Total Lifestyle Expenditures (lines 24 – 29)			
31	Add taxes on Lifestyle Expenditures (See i. below)			
32	<b>Disposable Salary</b> needed to fund Lifestyle Expenditures (lines 30 and 31)			
33	<b>Preferred Salary</b> Total salary needed (lines 23 and 32)			

### Instructions:

- a. Enter estimated monthly amounts in Periodic amount column.
- b. Enter number of periods, e.g., 12 for monthly payments, 4 for quarterly payments, etc.
- c. Add additional items on blank lines.
- d. Calculate the total for the year and enter it in the Total for Year column. Total all rows (lines 21 and 30).
- e. Determine your effective tax rate: Add your Federal and State income taxes for last year together and divide the total by your Adjusted Gross Income as shown on last year's 1040, line 37. Enter it here \_\_\_\_%
- f. Deduct your effective tax rate you calculated in e. from 100%. Enter the net result here \_\_\_\_%
- g. Divide your total expenditures you calculated on line 21 by the % in f. Enter the amount here \$\_\_\_\_\_
- h. Subtract the amount on line 21 from the amount you calculated in g. Show the result on line 22.
- i. Repeat g. and h. for your total Lifestyle Expenditures and show that amount on line 31.