

ADDITIONAL DEBT LIMIT WORKSHEET

Use this worksheet to determine your additional debt limit.

<p>1. Total monthly household income</p> <p>This includes regular take-home household incomes and all other incomes received on a less regular basis including alimony, child support, investment and retirement, social security, public assistance, reimbursements and bonuses, scholarships, and other incomes.</p>	<p>(A) Total monthly income \$ _____</p>
<p>2. Monthly and occasional expenses</p> <p><u>All</u> sources of expenses should be included. Payment on current debts such as loans, credit card bills, mortgages, bank overdrafts, and cash advances should be included.</p> <p><i>Monthly expenses:</i> All expenses routinely paid each month.</p> <p><i>Occasional expenses:</i> All expenses that are not paid routinely each month including annual, semiannual, quarterly, or occasional expenses.</p>	<p>(B) Monthly expenses \$ _____</p> <p>(C) Total annual occasional expenses \$ _____</p> <p>(D) Monthly amount set aside for total occasional expenses [(C) ÷ 12 = (D)] \$ _____</p>
<p>3. Calculate total monthly expenses</p>	<p>(E) Total monthly expenses \$ _____ [(C) + (D) = (E)]</p>
<p>4. Calculate remaining monthly income</p> <p>The remaining income is how much money you have left after all expenses have been paid. <u>This is not your additional debt limit.</u> Your debt limit should be less than your remaining income. Set a realistic debt limit by taking into consideration what you can afford today, how much of your current obligations are borrowing from your future income, the possibility that emergencies can arise, and your financial goals.</p>	<p>(F) Remaining income \$ _____ [(A) – (E) = (F)]</p>
	<p>Monthly additional debt limit \$ _____</p>