



Life Insurance Calculator

A great way to determine how much life insurance you need is to use the *D.I.M.E.* method¹. This ensures that your beneficiary will have enough to cover your current expenses as well as any future expenses that you would otherwise incur. Use this simple calculator to determine just how much coverage you'll need.

Expenses and Assets

Debt, Income, Mortgage and Education

Debt

For *Debt*, you will want to add up all debts you'll leave behind (except for your mortgage). This includes credit card debt, student loans that won't be forgiven after death, etc.

DEBT TITLE	AMOUNT
TOTAL	

Income

For *Income*, you will want to multiply your annual net income (after-tax income) by the number of years that you think your family will need financial support for. Typically, a good starting point is for ten years¹².

ANNUAL NET INCOME	YEARS
TOTAL	

Mortgage

For *Mortgage*, you will want to add up your remaining mortgage balance. It is optional if you want to include annual property taxes, insurance and association dues (as applicable).

MORTGAGE EXPENSES	AMOUNT
Outstanding Balance	
Property Taxes, Insurance, Association Dues, etc.	
TOTAL	



Education

For *Education*, you will want to estimate how much it will cost to send your children to college (incl. tuition, room and board, cost of textbooks, etc.). Typically, a good starting point is for \$100,000 per child².

CHILDS NAME	AMOUNT
TOTAL	

Final Expenses

Whether you have debt or not, there will also be an expense associated with your funeral/wake. If you take a look at [Parting](#), you can get a better idea of what this will cost you. Typically, a good starting point is \$8,300 as this is the average cost of a funeral in United States³.

FINAL EXPENSES	AMOUNT
TOTAL	

Assets

Finally, to get a full picture of how much you'll need, include approximately how much you have in your savings account or any stocks/retirement account (**note** that this calculator deducts 25% from any non-liquid accounts due to market fluctuations and taxes).

ACCOUNT TYPES	YEARS
Checking, Savings, etc.	
Retirement, Stocks and Non-Liquid Accounts	
TOTAL	

Calculated Amount

TYPE OF LIFE INSURANCE	AMOUNT
Term Life Insurance	
Whole Life Insurance (i.e., Final Expense)	
TOTAL	

1 - Forbes - Life Insurance Calculator: How much life insurance do I need?

2 - NerdWallet - How much Life Insurance do I need? Use this calculator

3 - USA Today - How much does a funeral cost in 2024?