

ECONOMICS OF LIFE RESEARCH PROJECT

EARNINGS AND SAVINGS LOSS TEST

1. Estimate your monthly **after-tax** lifestyle costs for food, clothing, entertainment, car expense, mortgage payments or rent, educational costs for children, and other personal expenses:

(1) Estimated monthly **after-tax** lifestyle costs: \$ _____
(This figure does not have to be 100% accurate. Come within material accuracy of plus or minus 20%.)

2. Multiply monthly **after-tax** lifestyle costs (1) times 20 to estimate annual taxable compensation you need to provide for your after tax monthly lifestyle costs in a 40% average combined state and federal tax bracket.

(1) _____ x 20 = (2) _____

3. Estimate your annual **pre-tax** earned income and add to that any **pre-tax** interest, dividend, or rental income and any **pre-tax** earned income generated by your spouse to calculate your total pre-tax income.

Your pre-tax earned income: + _____

Your pre-tax, interest, dividend
and rental income: + _____

Spouse's pre-tax earned income: + _____

TOTAL PRE-TAX INCOME (3) _____

4. Subtract compensation need (2) from total pre-tax income (3):

Total pre-tax income: (3) _____

Minus compensation need: -(2) _____

SURPLUS PRE-TAX EARNINGS (4)

Multiply surplus pre-tax earnings (4) times 40% to calculate your estimated LOSS TO UNNECESSARY INCOME TAXES THIS YEAR (5).

(4) _____ x .40 = (5)

***Your Loss to Unnecessary
Income Taxes This Year**

(5) \$

6. Do you control \$250,000, or more, of personal and qualified retirement plan savings or other equity assets?
Yes No

*Business executives, business owners, and other productive individuals who have \$30,000 or more of predictable pre-tax surplus earnings (question 4), and have some control over their employer, and/or who have \$250,000 of equity assets under their control (question 6) qualify for participation in the New Economic Order Planning Program. Business executives, business owners, and other productive individuals who have less than \$30,000 of projected pre-tax surplus earnings may also qualify for participation in the New Economic Order Planning Program if they control \$250,000, or more, of personal and qualified retirement plan savings or other equity assets.