

Lump Sum Payment Planning (Form 4)

Payments you make on a non-monthly basis, such as insurance premiums and taxes, can be budget busters if you do not plan for them every month. Therefore, you must annualize the cost and convert these to monthly budget items. That way, you can save the money each month and will not be caught off-guard when your bi-monthly, quarterly, semi-annual, or annual bills come due. Simply divide the annual cost by 12 to determine the monthly amount you should save for each item.

ITEM NEEDED	ANNUAL AMOUNT	MONTHLY AMOUNT
Real Estate Taxes	_____ / 12 =	_____
Homeowner's Insurance	_____ / 12 =	_____
Home Repairs	_____ / 12 =	_____
Replace Furniture	_____ / 12 =	_____
Medical Bills	_____ / 12 =	_____
Health Insurance	_____ / 12 =	_____
Life Insurance	_____ / 12 =	_____
Disability Insurance	_____ / 12 =	_____
Car Insurance	_____ / 12 =	_____
Car Repair/Tags	_____ / 12 =	_____
Replace Car	_____ / 12 =	_____
Clothing	_____ / 12 =	_____
Tuition	_____ / 12 =	_____
Bank Note	_____ / 12 =	_____
IRS (Self-Employed)	_____ / 12 =	_____
Vacation	_____ / 12 =	_____
Gifts (including Christmas)	_____ / 12 =	_____
Other _____	_____ / 12 =	_____