

# Debt-to-Income Ratio for Consumer Debt

This is a useful tool in determining your financial stress level. Do the math and consider where you are before taking on further debt.

1. Net Income (Gross monthly pay minus taxes only; i.e., federal taxes, state taxes, and Social Security.) 1. \_\_\_\_\_
2. Installment Credit (Include charge accounts, car payments, advance pay, overpay, etc. Do not include rent, mortgage, utilities, or insurance payments.)

## Creditor Monthly Payment

- A. \_\_\_\_\_ \$ \_\_\_\_\_
- B. \_\_\_\_\_ \$ \_\_\_\_\_
- C. \_\_\_\_\_ \$ \_\_\_\_\_
- D. \_\_\_\_\_ \$ \_\_\_\_\_
- E. \_\_\_\_\_ \$ \_\_\_\_\_
- F. \_\_\_\_\_ \$ \_\_\_\_\_
- G. \_\_\_\_\_ \$ \_\_\_\_\_
- H. \_\_\_\_\_ \$ \_\_\_\_\_ 2. \_\_\_\_\_

3. Divide line 2 by line 1, multiply by 100

(2) \_\_\_\_\_ ÷ (1) \_\_\_\_\_ x 100 = \_\_\_\_\_ %

TOTAL

Percent	Status
Less than 15%	Some additional credit may be used with caution.*
15%–20%	Fully extended.
21% - 30%	Overextended.
Greater than 30%	Seriously overextended. Seek help!

\* Will the additional monthly payment put you over 20%? Large families may have a difficult time with 16% or more.

