



MIDDLE INCOME AMERICA IS IN A FINANCIAL CRISIS



**This illustration is for education & training purposes only.
Not for public distribution.**



BEGINNING MIDDLE INCOME - \$20 PER HR

\$3500 per mo / \$42,000 per yr

INCOME FOR LIFE

JOB

\$3,500
-\$700 TAXES (20%)
\$2,800

SOURCE 1 INCOME

OR

BUSINESS

\$3,500
-0 TAXES
\$3,500

SOURCE 2 INCOME

**INCOME
PRODUCING
ASSETS
NEEDED**

\$700,000 X 5%
\$35,000

PLUS

SOCIAL SECURITY OF APPROXIMATELY
\$5,000-\$10,000 PER YEAR

MONTHLY CASHFLOW NEEDED

- **\$3,500** GROSS INCOME
 - **\$(350)** CHARITABLE GIVING - **10%**
 - **\$(350)** RETIREMENT SAVINGS - **10%**
 - **\$(1,500)** HOUSEHOLD DEBT - **43%**
 - **\$(1,210)** RECURRING EXPENSES - **28%**
 - **\$(150)** EMERGENCY FUND - **4%**
 - **\$(600)** ADDITIONAL LIFESTYLE EXPENSES - **17%**
 - **\$(700)** TOTAL TAXES - **20%**
 - **\$(1,360)** SHORT FALL
-

\$1,500 ADDITIONAL CASHFLOW NEEDED



AVERAGE US HOUSEHOLD INCOME - \$31 PER HR

INCOME FOR LIFE

SOURCE 1 INCOME

JOB

\$5,000

-\$1,250 TAXES 25%

\$3,750

OR

BUSINESS

\$5,000

-0 TAXES

\$5,000

\$60,000

SOURCE 2 INCOME

ASSETS
STOCKS
BONDS
401K/IRA

\$750,000 X 8%

\$1,000,000 X 6%

\$1,500,000 X 4%

\$60,000

\$60,000

\$60,000



MONTHLY CASHFLOW NEEDED

- **\$5,000** GROSS INCOME
- **\$(500)** CHARITABLE GIVING - **10%**
- **\$(500)** RETIREMENT SAVINGS - **10%**
- **\$(2,250)** HOUSEHOLD DEBT - **45%**
- **\$(1,650)** RECURRING EXPENSES - **33%**
- **\$(250)** EMERGENCY FUND - **5%**
- **\$(1,000)** ADDITIONAL LIFESTYLE EXPENSES - **20%**
- **\$(1,250)** TOTAL TAXES - **25%**
- **\$(2,400)** SHORT FALL

\$3,000 ADDITIONAL CASHFLOW NEEDED



MEDIAN HOUSEHOLD INCOME - SALARY

INCOME FOR LIFE

SOURCE 1 INCOME

JOB

\$6,250

-\$1,550 TAXES 25%

\$4,700

OR

BUSINESS

\$6,250

-0 TAXES

\$6,250

\$75,000

SOURCE 2 INCOME

**ASSETS
STOCKS
BONDS
401K/IRA**

\$750,000 X 10%

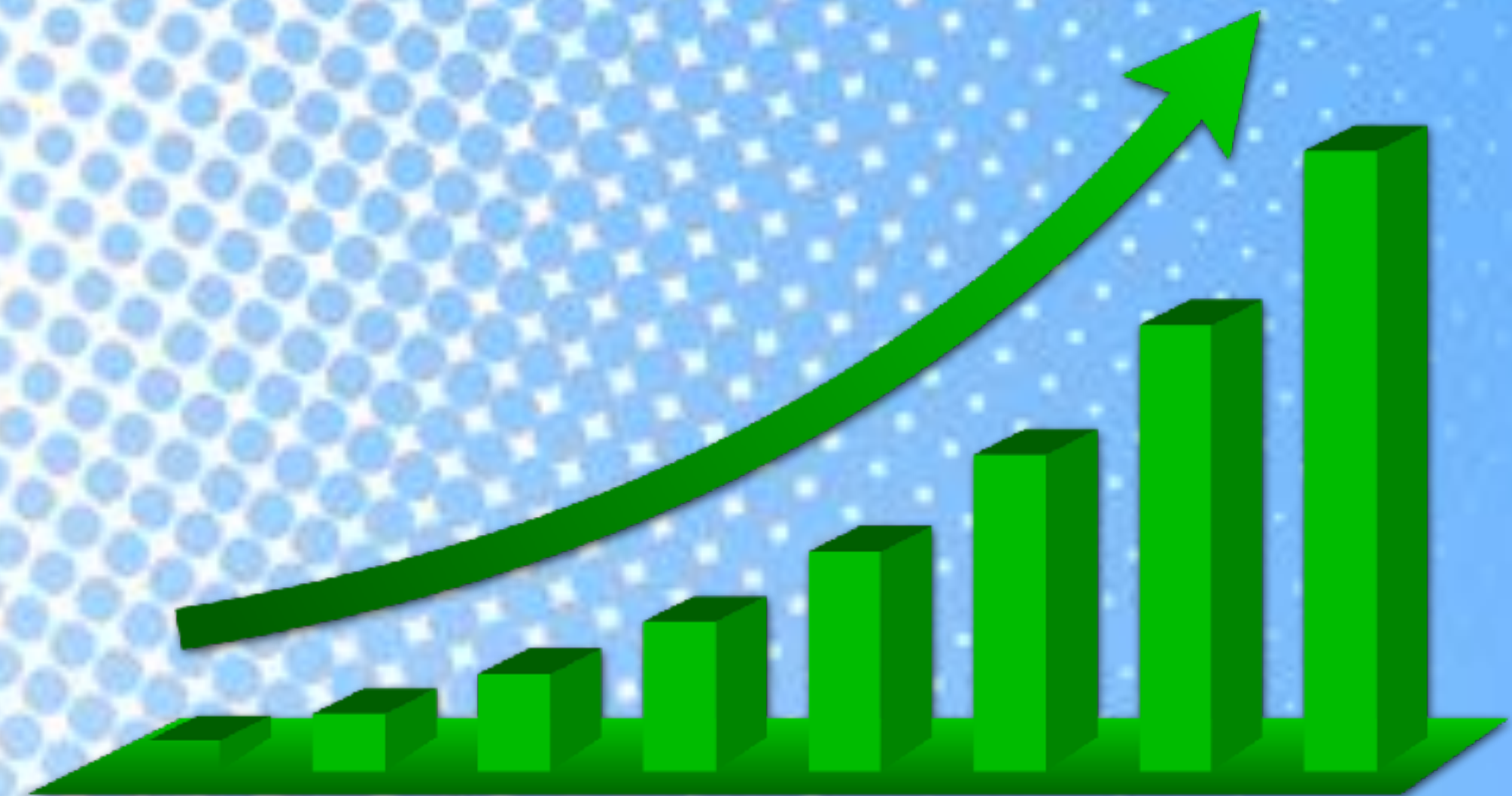
\$1,000,000 X 7.5%

\$1,500,000 X 5%

\$75,000

\$75,000

\$75,000



MONTHLY CASHFLOW NEEDED

- **\$6,250** GROSS INCOME
- **\$(625)** CHARITABLE GIVING - **10%**
- **\$(625)** RETIREMENT SAVINGS - **10%**
- **\$(2,800)** HOUSEHOLD DEBT - **45%**
- **\$(1,650)** RECURRING EXPENSES - **26%**
- **\$(250)** EMERGENCY FUND - **5%**
- **\$(1,250)** ADDITIONAL LIFESTYLE EXPENSES - **20%**
- **\$(1,550)** TOTAL TAXES - **25%**
- **\$(2,500)** SHORT FALL

\$3,000 ADDITIONAL CASHFLOW NEEDED



UPPER MIDDLE INCOME - MANAGEMENT SALARY

INCOME FOR LIFE

SOURCE 1 INCOME

JOB

\$12,500

-\$3,125 TAXES 25%

\$8,875

OR

BUSINESS

\$12,500

-0 TAXES

\$12,500

\$150,000

SOURCE 2 INCOME

**ASSETS
STOCKS
BONDS
401K/IRA**

\$1,500,000

X 10%

\$150,000

\$2,000,000

X 7.5%

\$150,000

\$3,000,000

X 5%

\$150,000



MONTHLY CASHFLOW NEEDED

- **\$12,500 GROSS INCOME**
- **\$(1,250) CHARITABLE GIVING - 10%**
- **\$(1,250) RETIREMENT SAVINGS - 10%**
- **\$(5,625) HOUSEHOLD DEBT - 45%**
- **\$(3,250) RECURRING EXPENSES - 26%**
- **\$(625) EMERGENCY FUND - 5%**
- **\$(2,500) ADDITIONAL LIFESTYLE EXPENSES - 20%**
- **\$(3,125) TOTAL TAXES - 25%**
- **\$(5,125) SHORT FALL**

\$6,000 ADDITIONAL CASHFLOW NEEDED

\$17,625 TOTAL INCOME NEEDED



START A PART TIME OR FULL TIME BUSINESS
FINANCIAL SUCCESS MEMBERSHIP

1 - MINIMIZE TAXES + W4 2 - MINIMIZE EXPENSES (CREDIT REPAIR)

3 - ELIMINATE DEBT 4 - ASSET ACCUMULATION

STOCKS, MUTUAL FUNDS, INSURANCE, RETIREMENT PLANNING, BONDS