



# PRO RATA DEBT LIST

The best way to beat debt is with a calculated formula! Go!

## “But I can’t pay the minimum payments!” It’s okay. We have a plan for that.

“Pro rata” means “fair share.” Use this form to figure out what percentage of your income each creditor represents, and then send their payment along with a copy of this form and your budget every month—even if they say they won’t accept it.

### Step 1

Subtract Necessity Expense (**B**) from Household Income (**A**). That gives you your Disposable Income (**C**). That’s how much money you have to pay toward debt after you’ve covered all your necessities.

<b>A</b>	→ Household Income	<input type="text"/>
<b>B</b>	→ Necessity Expense —	<input type="text"/>
<b>C</b>	→ Disposable Income =	<input type="text"/>

### Step 2

Write in your Total Debt (**D**). Then collect all your bills and add up the grand total of all your monthly minimum payments. Write that in Total Min. Payments (**E**). If your Total Min. Payments figure is higher than your Disposable Income (**C**) figure, you need to use the Pro Rata Debt List.

<b>D</b>	→ Total Debt	<input type="text"/>
<b>E</b>	→ Total Min. Payments	<input type="text"/>

ITEM	PAYOFF	÷	TOTAL DEBT	=	PERCENT	x	DISP. INC.	=	NEW PMT.
<b>F</b>	<b>G</b>		<b>H</b>		<b>I</b>		<b>J</b>		<b>K</b>
<input type="text"/>	<input type="text"/>		<input type="text"/>		<input type="text"/>		<input type="text"/>		<input type="text"/>

### Step 3

List each debt in the Item (**F**) column and write the total debt payoff amount in the Payoff (**G**) column. Go ahead and write in the Total Debt (**H**) and Disposable Income—or Disp. Inc. (**J**)—amounts from the top of the form too.

### Step 4

On each line, divide the Payoff (**G**) by the Total Debt (**H**) to get the Percent (**I**). That figure shows you each creditor’s fair share of your available income.

### Step 5

Multiply the Percent (**I**) by your total disposable income in the Disp. Inc. (**J**) column. Write that in the New Pmt. (**K**) column. That’s what you should send to that specific creditor. Repeat that math for every item on the list to calculate your pro rata payments for each one.

