



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.

| | | |
|----------|---------------------|----------------------|
| A | Household Income | <input type="text"/> |
| B | Necessity Expense — | <input type="text"/> |
| C | 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.

| | | |
|----------|---------------------|----------------------|
| D | Total Debt | <input type="text"/> |
| E | Total Min. Payments | <input type="text"/> |

| ITEM | PAYOUT | ÷ | TOTAL DEBT | = | PERCENT | × | DISP. INC. | = | NEW PMT. | | |
|----------|--------|---|------------|---|----------|---|------------|---|----------|--|----------|
| F | | | G | | H | | I | | J | | K |

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.



| | |
|---------------------|-------------------------------------|
| Household Income | <input type="text"/> |
| Necessity Expense — | <input type="text"/> <hr/> <hr/> |
| Disposable Income = | <input type="text"/> |

| | |
|--------------------------------------|---|
| Don't include consumer debt payments | Add up the total debt column & enter total here |
| Total Debt | |
| Total Min. Payments | Add up all your minimum payments & enter here |

Use the formula below
to find your new payment.