

Calculating your real value

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Certainly it is too difficult to calculate your value. In fact to consider about the calculation of a value it needs so many variables. Most of the Americans follow the simpler Multiple of Earnings method so it is not to surprise at all. In this method an American needs a policy that is eight times his annual earnings of \$ 50,000. In fact this calculation has disadvantages although it looks quite simple calculation. In which the potential increase in earnings is not taken into account like the non-wage value goes un-measured.

Human Life Value is the right way to calculate coverage value. It is almost similar to the method used by the courts to award judgments in wrongful death law suits. These are some methods like the present value of all your expected income to earn in the future and any other value that you expect to contribute are required take into consideration in the human life value. After this, you are required to deduct taxes and expenses on personal consumption and it will be taken into consideration is till your retirement date.{mosgoogle left}