



Resources for Child Caring

Raising the standard of care for children

Is Working Outside the Home for You?

Deciding to work outside the home is an individual decision determined by the needs and priorities of each family. This worksheet will help you determine the economic impact of your decision.

Part 1: Estimating Your Take-Home Pay

INCOME

Salary or wages _____
Commissions _____
Other (bonuses, tips) _____
Total Income _____

JOB-RELATED EXPENSES

Benefits value _____
Social Security and taxes* _____
Pension payments _____
401k, 403b _____
Total Job Related Expenses _____

TAKE-HOME PAY

Total Income _____
Total Job-Related Expenses _____
Total Take-Home Pay _____

* A second source of income may move your family into a higher tax bracket. This is sometimes known as the marriage penalty tax. (NOTE: Not participating in these programs increases the actual amount of money you will take home for cash flow purposes. However, these are strong economic considerations for the long-term or immediate well-being of your family's financial structure.)

Part 2: Estimating Your Expenses

DIRECT JOB-RELATED EXPENSES

Child care _____
Union/association dues _____
Transportation* _____
Total Direct Expenses _____

* You can estimate actual costs such as gas, maintenance and parking or use the federal average per mile. For the present, use \$0.585 per mile.

INDIRECT JOB-RELATED EXPENSES

Meals out – work related _____
Increase in convenience food/ take-out _____
Increase in clothing costs
(new purchases, dry cleaning) _____
Cost of services used working outside home* _____
Contributions at work _____
Total Indirect Expenses _____

* This will vary by family, but is a strong consideration. Consider home cleaning services, laundry, yard care and other services that you may hire out rather than do yourself.

COST OF WORKING OUTSIDE THE HOME

Direct Expenses _____
Indirect Expenses _____
Total Cost of Working Outside Home: _____

Part 3: What is the Real Value of the Second Income?

YOUR FAMILY'S NET ECONOMIC GAIN

Total take-home pay _____
Total Cost of Working Outside Home _____



You will need to decide if the net result is great enough to justify the extra time and effort required to produce those dollars. Generating money for vacations, additional purchases, or even savings needs to be factored differently than money being generated to cover daily living expenses. If you decide not to return to work, how will those other items in your budget be covered? The bottom line, aside from a child-rearing philosophy, is that all families with young children need to do the math to determine the economic impact of a second income.

Copyright © 2007, Resources for Child Caring. All Rights Reserved.

