

Meeting College Expenses

A Guide for Seeking Financial Assistance

Table F: *State and Local Income Tax Payments*

Table G: *Monthly Social Security Tax (FICA)*

Table H: *Monthly Allowance for Living Expenses*

Table F: State and Local Income Tax Payments *

Example

<u>Average Monthly Salary</u>		<u>State and Local Tax Rate</u>	=	<u>Estimated Monthly Tax Payment</u>
\$ 3,000	X	6.0 %	=	\$ 180.00

** Payments for state and local income taxes vary for each state and range from 0% to 7%.*

It is recommended that a 6% state and local tax rate be used to calculate an estimated monthly tax payment.

The State of Texas currently has not state or local income tax.

Table G: Monthly Social Security Tax (FICA) **

Example

<u>Average Monthly Salary</u>		<u>FICA Tax Rate</u>	=	<u>Estimated Monthly FICA Tax</u>
\$ 3,000	X	7.65 %	=	\$ 229.50

*** The Social Security Tax per month is the lesser amount of \$ 250.25 (which is the maximum monthly*

Social Security Tax, or your monthly salary, before taxes, times .0765.

Table H: Monthly Allowance for Living Expenses ***

<u>Student's Family Size</u>	<u>Monthly Allowance for Living Expenses</u>
1	\$ 965
2	\$ 1,296
3	\$ 1,709
4	\$ 2,040

**** The Allowance for Living Expense estimates the monthly cost of goods, housing, transportation, clothing, personal and medical care, and other basic expenditures. The figures are based upon a 1998 survey of the*

College Board for Dallas, Texas. These budgets will vary by geographic location.