



PEOPLE HELPING PEOPLE FINANCIAL COACH PROGRAM

Budgeting Percentages

The 50/30/20 Guideline for Budgeting

One of the most common recommended budget percentages is the “50/30/20” budget. According to this budget percentage breakdown:

50 percent of your monthly income should go to your needs: Place items like housing costs, groceries, utilities, healthcare costs, and transportation expenses into this category.

30 percent of your monthly income should go to discretionary spending or wants: Items such as going to restaurants, vacation expenses and gadgets fall into this category.

20 percent of your monthly income should go to savings and debts: Include everything from your student loan and credit card payments to retirement savings and emergency fund contributions.

The idea behind a 50/30/20 budget is to set aside enough money to cover essential costs, debt payments and contributions and still have enough money left over to budget for things you enjoy.

Check out these additional budgeting resources:

- www.gobankingrates.com/debt/
- www.gobankingrates.com/saving-money/budgeting/easy-to-use-budget-templates/

Giving:	10%
Saving:	10%
Food:	10-15%
Utilities:	5-10%
Housing:	25%
Transportation:	10%
Health:	5-10%
Insurance:	10-25%
Recreation:	5-10%
Personal Spending:	5-10%
Miscellaneous:	5-10%

Budgeting Guidelines for the cost of living by category

