

50/30/20 RULE

{YOUR NAME &
LOGO HERE}

The 50/30/20 Rule is a simple guideline to help you know how budget your money in an easy and effective way. It suggests that 50% of your income should go towards needs, 30% towards wants and 20% towards saving. You may need to adapt the percentages based on individual circumstances but the goal is to focus on distributing your income into those three main categories.

Provide an example of income: (Answers will vary, some examples may include:)
Money from a job, Allowance, Gifted money.

Circle examples of a NEED:

<u>Rent</u>	<u>Netflix Subscription</u>
<u>Gas for Car</u>	<u>Groceries</u>
<u>Buying Bitcoin</u>	<u>Electric Bill</u>
<u>Going to the Arcade</u>	<u>A Skateboard</u>

List an example of a need, want and a saving goal: (Answers will vary)

Need: _____

Want: _____

Saving Goal: _____

Your grandparents gift you \$10 for your birthday. Following the 50/30/20 Rule, determine the amount of money that will go towards needs, wants and savings.

Needs: \$ \$5

Wants: \$ \$3

Savings: \$ \$2

50/30/20 Rule Resources:

- 50/30/20 Rule Calculator
- Budget Calculator
- 50/30/20 Rule for Teens Coach
- Create a Budget Coach
- The Upside of Frugality Article

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Vocabulary Terms:

50/30/20 Rule: an easy and effective rule of thumb that suggests dividing a budget into three categories- needs, wants and savings.

Income: money you receive.

Saving: putting money aside to use in the future.

Interest: a percentage of money you'll earn for keeping your money in an account at a financial institution.

Emergency Fund: money set aside to cover unexpected expenses.

My biggest takeaway:

