



Income		
Date	Source	Amount

Savings/Debt (20%)	Budget	Actual
Total		

Needs (50% of Income)		
Wants (30% of Income)		
Savings/Debt (20% of Income)		

Notes



The 50/30/20 Rule

What Is the 50/30/20 Budget – and How Can It Help You?

The 50/30/20 method is one of the simplest and most flexible budgeting strategies out there. It gives you a clear overview of your income and spending without forcing you to track every single penny.

The idea is to divide your monthly income into three main categories:

- 50% for Needs – your essentials, the things you must pay to live
- 30% for Wants – your fun money, lifestyle upgrades, and little joys
- 20% for Savings & Debt – your future, your peace of mind, and your goals

This system is perfect if you're just starting out with budgeting or if detailed spreadsheets and strict rules tend to stress you out. It's not about perfection - it's about progress and having a plan that actually fits into your real life.

How to Use the Free 50/30/20 Budget Worksheet

Start with your monthly take-home income. That's the amount you receive after taxes - what actually hits your bank account. Split your income using the 50/30/20 formula:

- 50% for Needs:
 - This includes things like rent or mortgage, groceries, utilities, transportation, and basic insurance.
- 30% for Wants:
 - This is your flexible spending—think subscriptions, dining out, shopping, hobbies, or that latte you love.
- 20% for Saving & Debt:
 - This includes emergency savings, debt payments, sinking funds, and long-term financial goals.

Fill in your worksheet. Write down your total income, then calculate what 50%, 30% and 20% look like for you. Use those numbers as a guideline when planning or reviewing your monthly spending. Your life isn't rigid - your budget doesn't have to be either. If your current needs are higher, it's okay to adjust the balance until you can bring it back over time. Highlight what's working. Circle areas where you want to improve.

Why This Method Works

Because it's realistic. It doesn't expect you to stop living. It simply helps you start managing. And that small shift - from feeling overwhelmed to feeling in control - is what changes everything. Even if you start with an imperfect month, you're already doing better than you were before.