

Money In Minutes

The 50/30/20 Budget Template

The simplest budget that actually works — with exact dollar amounts for your income

The Rule, Explained

50%

NEEDS

Things you *must* pay to survive

- Rent / Mortgage
- Groceries (not dining out)
- Utilities (electric, water, internet)
- Health & auto insurance
- Minimum debt payments
- Transportation (gas, transit)
- Phone bill

30%

WANTS

Things that make life enjoyable

- Dining out & takeout
- Entertainment & streaming
- Shopping (clothes, gadgets)
- Subscriptions (gym, apps)
- Hobbies & travel
- Personal care & beauty
- Upgrades (better car, etc.)

20%

SAVINGS

Your future self's paycheck

- Emergency fund (3-6 months)
- 401(k) contributions
- IRA (Roth or Traditional)
- Index fund investing
- Extra debt payments
- Down payment savings
- Other investment accounts

Your Exact Dollar Amounts

Find your monthly take-home pay (after taxes) and use these numbers as your spending caps.

Monthly Income	50% Needs	30% Wants	20% Savings	Annual Savings
\$3,000	\$1,500	\$900	\$600	\$7,200
\$4,000	\$2,000	\$1,200	\$800	\$9,600
\$5,000	\$2,500	\$1,500	\$1,000	\$12,000
\$6,000	\$3,000	\$1,800	\$1,200	\$14,400
\$8,000	\$4,000	\$2,400	\$1,600	\$19,200
\$10,000	\$5,000	\$3,000	\$2,000	\$24,000

Someone earning \$5,000/month who follows 50/30/20 will save \$12,000/year. Invested at 10% average return, that's \$2.17 million in 30 years.

Automate It in 3 Steps

1 Set Up Auto-Transfers on Payday

Log into your bank and create automatic transfers that run the day your paycheck hits. Transfer your 20% savings amount to a separate savings/investment account immediately — before you can spend it. This is "pay yourself first" in action.

2 Split Your Direct Deposit

Most employers let you split your paycheck into multiple accounts. Send 20% directly to your savings account and 80% to checking. You never see the savings money, so you never miss it. Ask HR for the direct deposit form — takes 5 minutes.

3 Auto-Invest Your Savings

Set up automatic investments in your brokerage (Fidelity, Schwab, Vanguard). Schedule recurring purchases of a total market index fund (like VTI or VOO) on the same day your savings transfer lands. Now your entire financial system runs on autopilot.

If Your Numbers Don't Work

Needs are over 50%?

- **Housing over 30% of income?** — Consider a roommate (saves \$500-\$1,000/mo), move to a lower-cost area, or negotiate rent at renewal
- **Car payment too high?** — Refinance at a lower rate, or trade down to a reliable used car
- **Debt minimums eating your budget?** — Look into debt consolidation or balance transfer cards (0% APR for 15-21 months)

Can't hit 20% savings?

- **Start with 10%** — even 10% invested consistently builds serious wealth
- **Increase by 1% each month** — you won't feel the difference, but you'll reach 20% in less than a year

- **At minimum, get your full 401(k) match** — that's 50-100% free return on your money

Wants feel too tight at 30%?

- **Audit subscriptions** — the average American spends \$219/month on subscriptions they forget about
- **Try the 48-hour rule** — wait 48 hours before any non-essential purchase over \$50
- **Swap, don't cut** — cook at home 2 extra nights instead of dining out (\$200-\$400/month saved)

Your Setup Checklist (Do This Today)

- Calculate your monthly take-home pay (after taxes)
 - Write down your 3 numbers: _____ Needs / _____ Wants / _____ Savings
 - List every recurring expense and categorize it (Need vs. Want)
 - Set up auto-transfer to savings account on payday
 - Ask HR about splitting your direct deposit
 - Open a brokerage account if you don't have one (15 minutes)
 - Set up auto-invest for your 20% savings allocation
 - Review and adjust after 1 month — tweak categories until it feels sustainable
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