

SUGGESTED PERCENTAGE GUIDELINES FOR FAMILY INCOME (Single Parent—One Child)			
Gross Income	15,000	20,000	25,000
1. Tithe	10%	10%	10%
2. Taxes ¹	3.2%	6.7%	11.8%
Net Spendable percentages below add to 100%			
NET SPENDABLE INCOME	13,020	16,660	19,550
3. Housing	40%	39%	39%
4. Food ²	15%	14%	14%
5. Auto	15%	14%	14%
6. Insurance	3%	3%	4%
7. Debts	4%	5%	5%
8. Entertainment/Recreation	3%	4%	4%
9. Clothing	5%	5%	5%
10. Savings	5%	5%	5%
11. Medical/Dental	7%	7%	6%
12. Miscellaneous	3%	4%	4%
13. Investments ³	—	—	—
EXTRA EXPENSE—If you have this expense below, the percentage shown must be deducted from other budget categories.			
14. School/Child Care ⁴	—	—	—
15. Unallocated Surplus Income ⁵	—	—	—

¹ This percentage is based on year 2002 rates for Social Security, federal, and state taxes. This does not factor the Earned Income Credit, which may alter this figure considerably.

² This percentage is for money spent on food and does not include the reduction that would result by food stamp or food bank use.

³ Considering the obligations at this income level, there may be no surplus funds for investing long term.

⁴ This percentage has not been factored into the budget. If you must pay for child care, all other categories must be reduced to provide funds for this expense. Although this is a real need, many single parents have alternate arrangements to meet the need through family or scholarship programs.

⁵ This category is used when surplus income is received, such as irregular child support. This would be kept in the checking account to be used within a few weeks; otherwise, it should be transferred to an allocated category.

* In some cases earned income credit will apply. It may be possible to increase the number of deductions to lessen the amount of tax paid per month. Review the last tax return for specific information.