



SAVING VS SPENDING BUDGETING BASICS



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SPENDING

- Spending is when you use your money to buy something.
- You can spend money on:
 - Snacks, toys, video games, clothes
- Once it's gone... it's gone!



SAVING

- Saving is when you keep your money to use later.
- For example, you can save for an expensive toy or game, a school trip, or an emergency
- Saving helps you reach goals!





BUDGETING

- Budgeting is a rule you can follow to help you spend your money wisely!
- Spending everything now means you may have nothing left later, so it is important to determine your needs and wants before you make a purchase.





NEEDS

- Things you can't live without!
- Examples: food, clothes, housing





WANTS

- Things that you don't need, but would like to have.
- Examples: toys, candy, games





SAVINGS

- Money that you set aside for future use.
- Can be set aside for emergencies or to save up for a larger goal.
- Examples: emergency funds, saving up for a concert, saving for a car





50/30/20 RULE

The 50/30/20 Rule is a budgeting method that can help you spend your money wisely!

50% for Needs

Spend 50% of your money on things you need, like food and water.

30% for Wants

Spend 30% of your money on things you want, like toys and candy.

20% towards Savings

Save the remaining 20% of your money for the future.





50/30/20 RULE

For example:

You get \$10:

- Spend \$5 on your lunch (need)
- Spend \$3 on a new toy (want)
- Save \$2 for the future (save)





REMEMBER...

- Spending is fun now
- Saving is smart for later
- A mix of both is the BEST plan!
- Budgeting can help you spend your money wisely!