AIFreeForever

The Budget Planner Guide for 2026

A budget is a plan for every part of your money before you spend it. This guide shows the 50/30/20 rule, how big an emergency fund should be, the usual categories for eight kinds of budget, what to do when a budget falls short, and a check list to keep it working every month.

The 50/30/20 rule

Share	For	On $4,000 a month
50% needs	Housing, bills, groceries, transport, insurance, minimum debt payments	$2,000
30% wants	Eating out, hobbies, streaming, trips, shopping	$1,200
20% savings and debt	Emergency fund, savings goals, extra debt payments	$800

Use it as a starting point. When housing costs more where you live, take the extra from wants, not from savings.

Your emergency fund

- **The goal:** 3 to 6 months of your needs, kept apart from everyday money.
- **Start small:** a first $500 or $1,000 covers most surprise bills.
- **Freelancers:** aim nearer 6 months, because income changes from month to month.
- **Refill it:** after you use it, move money back before anything else.

Categories for eight kinds of budget

Budget	Usual categories
Personal	Housing, Food, Transportation, Healthcare, Entertainment, Savings, Clothing, Miscellaneous
Monthly household	Rent or mortgage, Utilities, Groceries, Insurance, Debt payments, Savings, Entertainment
Student	Tuition, Books, Housing, Food, Transportation, Entertainment, Savings, Emergency fund
Freelancer	Business expenses, Taxes, Healthcare, Housing, Food, Savings, Emergency fund, Equipment
Business	Marketing, Operations, Equipment, Staff, Rent, Utilities, Insurance, Emergency fund
Wedding	Venue, Catering, Photography, Decorations, Attire, Music, Flowers, Miscellaneous
Event	Venue, Catering, Entertainment, Decorations, Marketing, Staff, Equipment, Contingency
Travel	Flights, Accommodation, Food, Activities, Transportation, Shopping, Emergency fund

When the budget falls short

- Cut wants first: subscriptions, eating out and shopping are the easiest to lower.
- Look at the three biggest lines: a small change there beats many small cuts.
- Keep a small savings line, even $20, so the habit does not stop.
- For events and trips, keep a contingency line of 5 to 10% for surprises.

My budget

Total budget: _____ **Income:** _____
How often: weekly / monthly / yearly / one-time
Savings goal: _____
Emergency fund target: _____

Every month

☐ Every amount adds up to the total, with nothing left unplanned.

☐ Savings came out first, on payday.

☐ I checked each line against my real bills and receipts.

☐ I moved money between lines that ran over or under.

☐ I updated the budget for any change in income or costs.

This guide is general budgeting help, not financial advice. For taxes or investments, ask a qualified professional.

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