

# Budgeting for Newlyweds: How to Create a Monthly Budget After Marriage (And Stick to it)

by Marcus and Ashley



When it comes to creating your first monthly budget as newlyweds, it can easily end up in heated arguments and unnecessary fights about money. That's why today, we want to help you create a monthly budget that not only works for your marriage but one you can both stick to.

**Note:** This article is an excerpt taken from our newlyweds' book, *First Year of Marriage: The Newlywed's Guide to Building a Strong Foundation and Adjusting to Married Life*.

## Why you need a monthly budget

As a newly married couple, it is essential you create a budget that will help you and your spouse to achieve your financial goals. Even if you don't combine your finances (we recommend you do), creating a budget for your money is highly beneficial.

A budget will help you to direct where your money goes, and how you spend it, and how much you save, before it disappears.

To know where, when, and what we spend money on, are some of the important reasons why we decided to create a monthly budget after getting married.

## **Benefits of creating a monthly budget**

By doing a budget and agreeing on your finances together, you will connect with each other in ways you never imagined.

Because the process of coming up with a budget and agreeing on finances with your spouse sets you up to work together as a team towards your financial goals.

In addition, it will open lines of communication that would not be there otherwise, and strengthen intimacy in your marriage by keeping you on the same page, sharing the financial burden and learn to communicate through the tough stuff.

Being united with your finances will help you build a strong foundation for your marriage and help you grow together!

## **A monthly budget will help you to:**

- » Improve your [communication skills](#) that relate to money.
- » [Be on the same page financially](#).
- » Set financial goals and achieve them together.
- » Identify areas where you are not using your money wisely.
- » Become financially disciplined.
- » Reduces the chances of having [money fights](#).
- » Reduces money stress, achieve financial goals by helping you to stay focused.
- » Plan ahead.
- » And grow together in your marriage.

The above list is not all of the benefits a budget will provide for your marriage. And depending on your marriage and family, some of the benefits will be direct while others will be indirect.

## **A sample list of monthly expenses for a newlywed's budget will include:**

- » Home: Rent or mortgage bill.
- » Food: Groceries, lunches, and eating out.
- » Utilities: Electric, heat, water, telephone, etc.
- » Health: Health insurance, gym, prescriptions, supplements, co-pays, etc.
- » Education: College expenses, tuition, books, supplies, etc.
- » Personal fun money.
- » Investments, savings, retirement accounts, 401K, IRA, etc.
- » Entertainment: Netflix, Hulu, movies, date nights, etc.
- » Debt: Student loans, credit cards, car payment, etc.
- » Miscellaneous. Gifts for events during the month, and room for unexpected events that will happen during the month.
- » Transportation: gas, car insurance, oil change, tire rotations, general car maintenance, inspections, etc.

Use this list of expenses as a starting point because your monthly expenses will probably differ.

## **How to create a monthly budget after marriage in 8 simple steps**

### **Step 1**

Sit down with open minds and begin the process of doing your monthly budget. Discuss why you need a budget for your marriage or family and the benefits of having one.

Talk about something fun that you want to do and your end goal. This is where being debt-free, buying a house, traveling, and retiring early comes in.

### **Step 2**

Knowing all your current source(s) of income is *essential*. So identify all your sources of income for the month.

Whether it's from working full time or a part-time job, donations, etc. Write all of them down and tally it for your total income amount.

### **Step 3**

First, write down everything that needs to be paid or bought during the month in order of importance (your monthly expenses.)

Make sure you include everything you both need for a month. Don't forget to add savings to this part, as savings tends to be an afterthought for most.

Then write down what you would do with any extra cash that might be leftover, like additional saving up for your next vacation, paying off student loans, credit cards, mortgage, etc.

Finally, if you realize your expenses exceed the income you earn each month, you can eliminate some of your expenses so you have a balanced budget.

Or, you can [start a side business](#) to earn more money.

From our experience, having more than one source of income is always a great thing, and necessary in today's climate. Also, there's only so much you can cut from your expenses.

But there is no ceiling to how much you can earn.

### **Step 4**

Agree or compromise on every item on your budget. This is where your patience, [empathetic listening](#), and communication skills will come in handy.

Your first monthly budget meeting will probably be the hardest and longest. After that, it will get easier.

If communication is something you struggle with, then learn [how to communicate with your spouse without fighting](#).

## **Step 5**

If you decide to have personal spending money, taking it out in cash can be handy so you don't overspend.

It is helpful to use cash only at first to help you stay within your budget and physically see and feel the money leaving.

When the cash envelope is empty, you know you are done with spending for that month. Obviously, with bills you pay online, it would be easier to use your debit card.

## **Step 6**

Know that your budget won't be perfect every month and that it will change from month to month.

We all make mistakes. We can only try better next time and keep it a priority.

## **Step 7**

Have a check-up, visual aid, or budgeting app so you can both see where you are throughout the month.

We would suggest every week you go over what is paid and what isn't paid yet at the beginning of that week. After you get the hang of it, you can check in every two weeks or as needed.

By having this visual aid, your children will learn how to create their own budgets when they begin to earn some income.

We keep a whiteboard right in our kitchen so we can both see where we are at on any given day.

## **Step 8**

The next month, use the same budget plan and adjust where necessary. Maybe you need more for one column, less for another, or a whole new column for an event in the next month.

For example, an upcoming birthday, wedding, or holiday which will require some extra money.

## **Budgeting together was not easy for us**

When we started budgeting in our first year of marriage, it was not easy, and far from fun. In fact, we struggled to stick to our budget plan because we had “other expenses” seem to show up all the time.

However, we committed to making it work.

After a few months of budgeting, we were able to create a monthly base budget that has been working for us using the exact steps above.

We now budget every single month and make adjustments as needed. Creating a monthly budget certainly impacted our marriage in many ways. And we believe it will do the same for your marriage too.

## **Budgeting tips for newlyweds**

When you are creating your budget together, make sure you practice empathetic listening so you can understand each other’s budget needs. Remember, you both have an equal say in everything that goes into your budget.

In addition, you will both have to learn to compromise. Your spouse might want item X in the budget but you might not agree item X should be included in the budget or allotted such an amount.

Before you make a decision, you first need to put yourself in their shoes to understand why they believe they need the item or have that much money put towards something.

### **Keep this in mind:**

Your budget will change over time because life is unpredictable. Alterations to your education, career, and income will all affect your ever-changing budget.

## **How to stick to your monthly budget as a newly married couple**

Creating a monthly budget after marriage is sometimes more simple than sticking to it.

First, discuss and write it down 5 days prior to the start date for your next monthly budget. Start your budget on the first day of each month. Second, schedule a day and time to review your budget together each week. This will help you track and see how you are spending your money, so you can make any adjustments if needed.

This also encourages you to become accountable to one another.

Lastly, sticking to a budget is not easy, especially in the first few months after starting. So commit to doing a monthly budget for at least 3 months.

## **Should you combine your money?**

In our experience, combining bank accounts positively impacted our marriage. It has forced us to have some important and difficult money conversations.

We wouldn't have had these conversations if our finances were not combined. In addition, our communication with each other has improved immensely as we have to be accountable to each other.

We have a few different accounts for different purposes, with all in both of our names. For example, we have an account for our grocery shopping needs, so we can track our expenses better.

As a result, we recommend couples combine their finances.

By combining accounts all your money stays together. It helps you to both be on the same page because your money is no longer just *mine*, but *ours*.

## **Do what is best for your marriage**

We know that combining finances might not work for every couple.

For example, an exception to combining money is if your spouse has a gambling or other addiction problem that negatively impacts your marriage; or you happen to be one of the few couples that keeping your money separate works well for.

Even if you don't combine your money, your marriage will still benefit from budgeting together.

## **Budgeting tools and resources to help you get started**

Below are 10 free and paid budgeting software, worksheets, a budgeting guide, and apps to help you get started on creating a monthly budget.

### **Disclaimer:**

You are solely responsible for using any of the software or apps. We are not liable for any losses or damages you experience by using them.

- » [You Need A Budget](#)
- » [Mint](#)
- » [Dave Ramsey's Zero-based budget software calculator](#)
- » [Microsoft Money Plus Sunset Deluxe](#)
- » [Budget Pulse](#)
- » [Apps for iPhone and Ipad](#)
- » [Toshl Finance](#)

You can also use regular envelopes for each item on your monthly budget list if this old school way helps you. Each envelope should be for a specific item in your budget.



All you need to do is fill up with the amount of money allocated to it. Once the money runs out it means you should not make any purchases related to that envelope for the rest of the month.

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## **Final thoughts**

Marriage and finances go hand in hand!

Your finances can make or break your marriage. Never keep financial secrets hoping to reveal it later; it will not make things better.

Don't complicate things when it comes to creating your monthly budget.

Keep it simple and lastly, stick to it.