**Dave Ramsey’s Gazelle Budget Life Online Budgeting Software** <http://www.daveramsey.com/tools/budget-lite/>

**Myth:** I don't have time to work on a budget.  
**Truth:** You don't have time not to make a budget!

[](http://www.daveramsey.com/tools/budget-lite/)

The dreaded "B" word. **Budget.** The only other word that starts with "B" that might generate a worse reaction in most people is the word bankruptcy.

Unfortunately, the word budget has gotten a bum rap – it is basically just a **PLAN**. When you budget, you're spending on paper, on purpose, before the month begins. But many people view a budget as a straight jacket that keeps them constrained. *Freedom* and *budget* just don't seem to go together.

However, when you see that a budget is just spending your money with intention, you'll actually experience more freedom than before. Many people say they've found even more money when they created a realistic budget and stuck with it.

**Here are some pointers:**

* Give it three to four months to start working. It won't be perfect the first time you do it.
* Spend every dime on paper before the month begins.
* Over-fund your groceries category. Most people underfund that category.
* Husbands (if applicable) need to loosen up and quit using the budget as a whipping tool on their wives.
* If married, spouses need to do the budget together. The preacher said "... and you are ONE."

When you are spending your money on purpose, you will be on your way to a Total Money Makeover. You will be on the road to changing your family tree forever!

**To create a simple budget online, go to the web address at the top of the page.**

Are you having a hard time with creating a zero-based budget? Are you not sure how to get started or even know what a zero-based budget is?   
  
Use our Gazelle Budget Lite software to create a sample budget in less than 60 seconds. http://a248.e.akamai.net/f/1611/26335/9h/dramsey.download.akamai.com/23572/daveramsey.com/media/image/tools/budgeting/budgeting_arr-down.png

**Income –** Use available income, then subtract the following expenses. The goal is to have a zero-based budget. Adjust your budget to fit your planned income…. You should adjust your Food line item to 15% to allow for groceries and eating out.

**Expenses**

**Charity -** Dave recommends 10-15% of your income go toward giving. This includes places such as your church, non-profit organizations and education foundations. It does not include gifts for birthdays, Christmas, or other similar occasions.

**Saving -** Dave recommends 5-10% of your income go toward savings. This includes items like your retirement, mutual funds, college savings and even your emergency fund.

**Housing -** Dave recommends 25-35% of your income go toward housing. Depending on whether you rent or own your home, this category consists of items such as rent/mortgage, repairs, property taxes, homeowner’s insurance and even furniture.

**Utilities -** Dave recommends 5-10% of your income go toward utilities. You’ll want to keep services like your phone, electricity, water, Internet, gas, and trash pick-up running smoothly each month.

**Food -** Dave recommends 5-15% of your income go toward food. Whether it’s just you or a house full of teenage boys, everybody has to eat. Make sure you include grocery stores, restaurants, and even that cup of coffee you bought this morning.

**Transportation -** Dave recommends 10-15% of your income go toward transportation. If you have good public transportation, or you walk or ride a bike to work, then you’re in good shape. Otherwise, you need to account for auto insurance, repairs, license, registration, taxes, gas and oil. If you are making car payments – include that in the DEBTS category.

**Clothing -** Dave recommends 2-7% of your income go toward clothing. Even though you might think this is more of a personal item, it really is a necessity; especially if you have small kids. Make sure they don’t wake up one morning with clothes that no longer fit!

**Medical/Health -** Dave recommends 5-10% of your income go toward medical and health expenses. This is a tough and frustrating category for most people, but it includes things like health insurance, disability insurance, doctor bills and medicines.

**Personal -** Dave recommends 5-10% of your income go toward personal expenses. This category contains a lot of variety. Examples include hair care, school supplies, life insurance, alimony, child care, subscriptions, pet supplies, toiletries, gifts and other miscellaneous items.

**Recreation -** Dave recommends 5-10% of your income go toward recreation. Don’t let life go by without having some fun. Live a little, but make a plan first. Set aside some money for entertainment and vacation. Doing your budget shouldn’t count as entertainment!

**Debts -** Dave wants you to be debt free more than anybody, but while you work on that he recommends that 5-10% of your income go toward consumer debt. Most Americans don’t like to look at this category, so get it paid off quickly. Add up things like car payments, credit cards and student loans. Include everything you owe money on EXCEPT the house you live in.