

# gift budget worksheet

**step 1: set a limit** Come up with an overall number in early December. It should include the amount you think you can spend on gifts without going broke by January. A good rule of thumb is 1.5 percent of your (pretax) annual household income. For a family making \$65,000 a year, that's about \$1,000.

Be realistic, though. You need to take into account what you actually have. Look at your current savings and conservatively factor in any money coming, such as a holiday bonus. To get an idea of what you spent last year, dig out your credit-card statements from December 2003. If you had unforeseen expenses this year and your checking

account is running low, you might want to shrink your list or come up with more-modest gift ideas.

**step 2: divvy up the money** Create a detailed gift list that includes family, friends, neighbors, even the babysitter. Then decide how much you want to spend, keeping the bottom line in mind. When you make a purchase, note the cost. Periodically tally up your spending to see if you're on track. You can, of course, reallocate your money as you go along, so try to buy in order of importance to you. The kids, your husband, and your mom might go first, for example. Include gift wrap and shipping.

Expense		Budgeted Amount	Gift Ideas	Amount Spent
<b>EXAMPLE:</b>	Mom	\$55	sweater	\$60
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
Postage and Shipping				
Wrapping Paper				
Holiday Cards and Stamps				
<b>TOTALS:</b>		\$		\$