

Title:

Living On One Income

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731

Summary:

It seems as if every family today is a two income family. It can be difficult to live on one income today. Housing cost in many metro areas are simply outrageous. The cost of living in many places is sky high. Can you be a one income family.

Keywords:

finance, living frugally

Article Body:

It seems as if every family today is a two income family. It can be difficult to live on one income today. Housing cost in many metro areas are simply outrageous. The cost of living in many places is sky high. Can you be a one income family.

Yes. One third of all households are led by single parents. Some statistics seem to say that nearly one-half of all women stay at home. That means that a lot of us are making it on one income. So it definitely is possible.

Many couples begin to realize that having both spouses work doesn't really add up to that much extra. Jonni McCoy's book, *Miserly Moms*, says that it can cost \$9 to \$15 an hour to pay for work related expenses. So if you aren't making more than that, it could cost the second spouse to work.

For example, we realized that not only were we paying the maintenance, gas and repairs on a vehicle that was logging many, many miles for me to commute to work, my income was boosting us into the next tax bracket. When we looked at having children, the day care expenses finished wiping out the income I was bringing in working outside of the home. A lot of my friends are in the same situation.

But the step to living on one income is not an easy one. We had always planned for me to be a stay-at-home mom, so we tried not to depend on my income at all. That was impossible. It took us paying down our debt and taking steps to live more frugally for me to be able to stay at home. You will probably need to make

changes as well.

It is really hard to adjust to one income. You may have to cut out some extra things to make it work. But once you start cutting things out and changing your spending habits, you will begin to see more areas that can be limited without hurting your sense of having what you need. Over time, you simply begin to look at things differently.

You don't have to have children to stay at home. We are conditioned that everyone has to work outside of the home to be a worthy person. We tend to look at those who don't need to work as spoiled. But that isn't the case. Many people work hard to run a household, especially when there is less money coming in.

What are some things you can do to prepare yourself for one income?

1. Start with cutting down your debt. Credit cards have to go. They are way too tempting to have around when you are trying to cut back on spending. Cutting your debt is the easiest way to find extra money in your budget. It will take a while, but is worth it.
2. Look at what is necessary. For example, do you really need to pay a water service for a water softener when they are relatively cheap through a home improvement store. For less than one year's rental on a softener unit, you can purchase one and cut the rental from your monthly bills.
3. Be frugal in your decisions. This is a habit that takes time to form. The key is to focus on your goal. You are looking to keep your household running smoothly without having to go to work. Work with your partner to make a list of financial priorities. Make plans for the future.
4. Take on extra work. If you are highly skilled, you will probably be able to find some way to add to the family income while staying at home. Whether it is crafts that you sell locally, babysitting or catering, you can do things that you enjoy and make a little extra money for the budget. The key is to not become dependable on the income you are bringing in.
5. Have an emergency fund. When only one person works, if they are injured or have an accident, chances are that nothing will be coming in. If you are a stay at home mom and become ill or hurt, you will need to have someone watch your children. An emergency fund helps cushion your budget from emergencies. You should have at least three months worth of expenses in an emergency fund. That way, when things go wrong, your budget doesn't suffer.