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## Financial Planning Tips for Young American Veterans

Members of the United States military face some unique financial challenges when entering civilian life. This is especially true for young service people. Youth who enlisted in the military straight out of high school typically have very little experience managing money or planning for their financial future as adults. The transition is tough on young veterans, to say the least. If you're a recently discharged veteran and starting to think about your next steps, check out these important financial planning tips.

### Develop a Budget

It's important to understand that your civilian salary may differ quite a lot from your take-home [military pay](#). While civilian jobs typically pay more, the military offers several benefits and tax exemptions, so you may end up with less disposable income after being discharged. This is why budgeting is essential.

A budget will help you avoid debt and save money for the things that matter to you—like buying a home or providing an education for your children. To start your [budget](#), Military.com

recommends writing down your fixed monthly expenses, such as rent and car payments, and subtracting these from your income.

As you work through your budget, be sure to include a category for monthly savings and investment contributions. Allocate your remaining income towards flexible monthly expenses like groceries and entertainment. Budgeting will also teach you how to shop smart and save on everyday purchases.

Fortunately for veterans, there are plenty of discounts out there that can make it easier to live within your means. According to Business Insider, [military discounts](#) can help you save up to 50% on everything from clothing to tech! Cell phone [providers](#) like Verizon often offer discounts on wireless plans and accessories as well. Just make sure you do your research before choosing a mobile phone carrier. While it can be tempting to jump on a good deal, it's important to ensure that your provider offers [good network coverage](#), fast speeds, and quality service.

## Start Saving

Leaving room in your budget for savings contributions is essential. It's a good idea to start by saving up money in an [emergency fund](#), so you have a cushion of money available if you cannot find work or you face unexpected medical expenses. This will prevent you from racking up credit card debt in an emergency and can give you some peace of mind about your future. Try to save about 6 months of living expenses in your emergency fund. If you're on a limited budget, start by saving at least \$500 to \$1000 before putting your excess income towards anything else.

Similarly, it's never too early to start [saving for retirement](#). In fact, the earlier you start investing money for your future, the better. Start putting money away now! Contributing to your retirement savings from a young age will give you the opportunity to reduce your income taxes and increase your potential returns.

## Find a Great Job

Many veterans have a hard time [finding work](#) after leaving service. Finding ways to overcome barriers and land a great job is crucial for your current financial stability as well as your lasting financial health.

Start by taking advantage of the [resources](#) available to you. For example, the Veteran Employment Center can help you discover career paths related to your service experience and convert your military occupational roles into civilian skills.

Skills in leadership, organization, decision-making, and self-discipline are highly [in-demand](#) and often sought by hiring managers. When you learn how to [sell yourself](#), you'll quickly discover how valuable you are to potential employers. Look for career guidance [programs](#) and training

courses that can help you craft powerful resumes and fine-tune your interviewing skills so you can land the job you want.

With some good financial planning, you can secure a strong financial future for yourself, no matter what your current money situation looks like right now. Create a realistic budget, search for discounts when shopping, and start saving money as soon as possible. Taking advantage of veteran's discounts and career programs can also help you get ahead. As you adjust to civilian life, remember these financial tips to make your transition a little easier.

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