

Ways to Use Your

RAISE

(or other additional income)

Lifestyle creep—also known as lifestyle inflation—is the tendency to increase your spending as your income increases. Don't let your next raise, bonus or extra source of income disappear into your monthly spending-use it to help your savings grow!

BEFORE YOU BEGIN



Your pay increase may be less than you expect

GIVE IT SOME TIME

REVISE YOUR BUDGET

after taxes and deductions-verify the amount you have to work with on your next paycheque



assess whether or not your budget accurately translates your life goals into financial ones

A pay increase is the perfect opportunity to





to derail your budget. Use a raise or bonus to give you peace of mind by

PUMP UP YOUR EMERGENCY FUND It only takes one unexpected expense

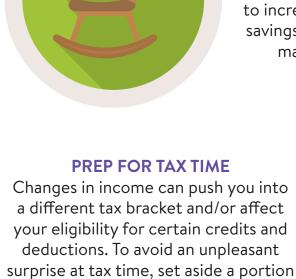
padding out your emergency savings. Aim to have three to six months' worth of expenses set aside.



retirement goals gives your money plenty of time to grow. Use your raise to increase your monthly retirement

savings—especially if your employer matches your contribution.

BOOST YOUR RETIREMENT SAVINGS Putting additional income toward your





of your income to cover any increase in what you owe.

> to qualified organizations may be deducted from your taxes. Win-win!

TREAT YOURSELF (WISELY) Celebrate a raise or bonus without sabotaging your financial goals.

a difference in your daily life. Hint: the best upgrades don't always have the highest price tag!



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Sources: BusinessInsider.com, MoneyCrashers.com, PsychologyToday.com