Rabe and Rachel have to pay taxes like everyone else in the world. These taxes are taken out of your gross income: Social Security 6.2%, Medicare 1.45%, State 3.95%, Federal 14%, and Health Insurance 4%. You must calculate your budget based on your net income. If you calculate it based on your gross income you will fall into debt.

Rabe and Rachel plan on creating a family budget. Together our gross income is $76,300 and after taxes our net income is $53,715.20 It is essential to budget your income when you are starting a family. That way you don’t have financial problems by spending too much. We plan on finding an apartment, buying a vehicle, saving for retirement, and buying insurance. To do this we have to be careful with the money we make.