

Finding Financial Security After Military Discharge



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Going through any change in life can be stressful for many people, even if you see it coming. How you [handle change](#) is important since it can affect everything from your mental health to your finances. After military discharge, you're going to face change in every aspect of life, so you should be prepared for it.

When you return to civilian life your daily routine, surroundings, and coworkers will change, as well as the dynamic of your relationships. Finances might take a back seat when personal obstacles appear, but you need to begin providing for yourself and your family as soon as possible. Thankfully, there are [nonprofits](#) dedicated to guiding you through the transition, but you can start navigating this new life with the help of the tips below.

Be Proactive and Protect What You Have

After discharge, secure what you have built in the event of unforeseen circumstances. Your health, home, auto and family should all have a foundation of support when someone gets sick or an accident happens. Before you can think about the future, you need to protect what's right in front of you. You might have had life insurance benefits while you were still an active service member, but you need to find life insurance that will take effect by the time your SGLI policy expires. Companies and organizations across the nation will offer special rates and discounts for service members, so do some shopping and make sure your representative at each [life insurance company](#) is aware of your service.

Do the same when you secure [health insurance](#) and even your auto insurance. If your family is on the lower-income scale, you might qualify for [government auto insurance](#), which is a program many states sponsor to help families on a tight budget retain the minimum amount of coverage on their car. However, if you explain your service to your insurance provider, you might find it easier to obtain discounts to help lower your premium and still get great coverage. Regardless, the last thing you need is to stress out about a fender-bender during your transition to civilian life, so find the best deal you can with the best coverage.

Save Money and Avoid Financial Struggle

Finding the best rate possible for each and every expense you incur is extremely important because every dollar saved is another dollar available for future use. These savings will come in handy as you transition financially. Consider the changing expenses coming your way, and it'll start to make sense. Throughout your service, you earned a tax-free housing allowance and might have been exempt from state income tax, according to [MyComputerCareer](#). Now, you could be responsible for thousands of dollars' worth of taxes each year. Finding a comparable salary might not work for your wallet.

The best way to find the salary that will support you is by diving headfirst into your finances, calculating expenses and seeing where your cash is going. Use tools to monitor cash calculate a budget, which will force you to cut back spending on frivolities, saving more for future goals like a down payment on a house, retirement and college funds for your kids. Plus, a successful budget will prepare you for life's emergencies.

Finally, developing a budget and saving money can also help if you choose to buy a new house. And while using VA loans through lenders such as [PennyMac](#) can help you avoid paying a down payment on your home, saving money can help you prepare a solid emergency fund, as well as fund any repairs or modifications you'd like to do to the house.

Preparing financially for the future will allow you the time needed to figure out the next steps. Maybe you need to return to school and secure a degree before your salary will be enough to support your family. Or, maybe you want to go back to school to explore a passion.

Still, you might find the perfect career path without going [back to school](#). No matter what your future as a civilian holds, you have to be prepared for any hardships that come your way between now and then.

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