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Financial Advice for Recently Discharged Young Veterans: Steps to Take When Entering Civilian Life

Transitioning from military service to civilian life can be a big change, especially when it comes to your finances. As a veteran, you may be entitled to certain benefits and programs that can help in this regard, but making smart choices along the way is also important. Here are some key steps to take to ensure that you establish a strong financial foundation for yourself as you enter civilian life.

Set Up a Budget

Valley First notes that one of the most important actions you can take toward financial stability is to [create a budget and stick to it](#). Start by reviewing your expenses and income

to determine your monthly expenditure needs. Then, organize your finances accordingly in a spreadsheet, app, or any other tool you prefer.

Limit your spending and avoid overspending on wants over needs. As a general rule, try to set aside at least 20 percent of your income for savings so that you have a reserve for emergencies or unexpected expenses. This mindset will help to establish an economic habit for the future.

Small spending cuts add up fast, so find painless places to snip first. For example, there are cheap, effective cleansers you can use that are safe and natural [alternatives to chemical cleaners](#). Try using everyday products like lemons and tea tree oil, which are also good for the environment.

Learn About the GI Bill

As a veteran, you may be entitled to certain benefits under the GI Bill that can help you transition into civilian life. For example, [you may receive funding](#) for education or training to help further your career. Take the time to research your options and take advantage of any programs or benefits that may be available to you.

Refrain from Taking Out High-Interest Loans

The Orange County Register reports that many [financial institutions target military veterans](#) with high-interest loans in the hopes of profiting from their lack of financial education. Avoid falling prey to these traps by researching the interest rates, terms, and conditions of loans carefully before accepting them.

If You Absolutely Need a Loan

If you do need to take out a loan, consider seeking advice from a financial professional or use low-cost short-term consumer loans as a way of avoiding risky personal loans with high interest. Keep in mind that you'll need to budget for a down payment for many types of loans, [including a mortgage](#); although putting 20 percent down for a home loan is common, it isn't necessarily the standard.

Work with a Credit Monitoring Service

As a veteran, you may be at higher risk of identity theft or fraud. That's why it's important to sign up with a reputable [credit monitoring service](#). These companies track your credit reports, alerting you of any suspicious activity and helping you dispute any fraudulent credit card activity.

Start Your Own Business

Starting your own business can be challenging, but it can also be one of the most rewarding decisions you can make financially. As a veteran, you may be eligible for special support programs, such as grants or loans or tailored mentorship for your business ideas. Forming an [LLC in Virginia](#) can also carry some benefits for the owner, such as tax benefits, flexibility, and limited liability.

Meet with a Financial Advisor

Making smart financial decisions can be overwhelming, which is why seeking advice from a financial professional is often a good idea. These experts can provide guidance, create personalized plans and strategies, and offer other financial advice for veterans. Keep in mind that free non-profit services are also available, like the Veterans Advancement Program at the Institute for Veteran Education and Training.

Search for Work and Create a Stellar Resume

Finding a job as a recently discharged veteran can be made easier by leveraging veteran-specific resources and support networks to explore employment opportunities that align with your skills and experiences. When creating a resume, it is essential to select a suitable formatting style, tailor your resume to the job description, include contact information, and highlight your relevant skills and experiences.

Apply for Financial Assistance

If you're struggling financially and need assistance as soon as possible, you have a few options based on your unique circumstances. If you are pregnant or have children, you may qualify for [WIC in Virginia](#), which can provide food supplementation as well as referrals to other social programs that may be able to help your family financially. There are also several national programs that can help you quickly, including the American Legion's Temporary Financial Assistance program, the Coalition to Salute America's Heroes, and the US Cares Emergency Assistance Program. [Take a look here](#) for a great list of resources of emergency financial programs for veterans.

Use Your Resources for a New Start

Leaving military service and transitioning into civilian life may seem like a daunting task from a financial perspective, but by following these steps and taking advantage of available support, you can set yourself up for long-term financial success. By writing a resume, creating a budget, taking advantage of the GI Bill, avoiding financial traps, starting your own business, and seeking advice from a financial advisor, you'll be well on your way to achieving financial stability.

[Vets' Retreat Virginia](#) honors, connects, and assists the men and women who serve America, past or present, at home or away, by providing peer support, activities and events, resources, and referrals. Visit us online to learn more!