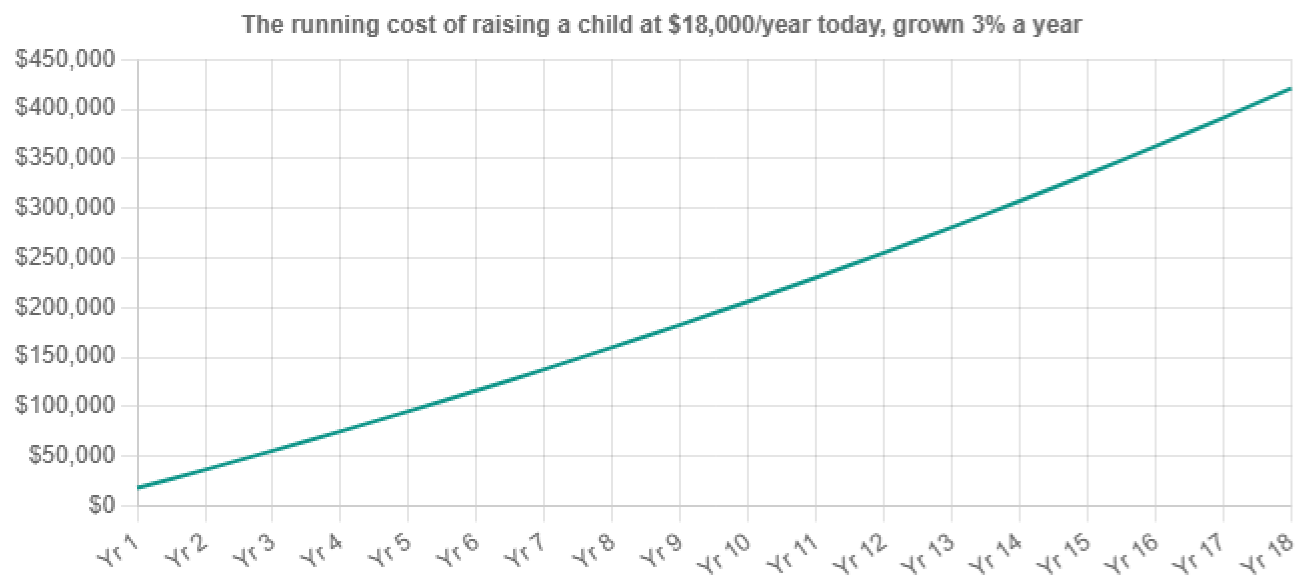
AssetBaseline

VISUAL

The Real Cost of Raising a Child

> The yearly cost of a child is manageable. The 18-year running total is a shock, and this chart shows it climbing year by year as prices rise.

No single year of raising a child looks alarming. It is the running total, climbing for 18 years while prices rise, that surprises most parents. This chart traces that total from birth to adulthood so the full number is impossible to miss.



Through year	That year	Running total
1	$18,000	$18,000
3	$19,096	$55,636
6	$20,867	$116,431
9	$22,802	$182,864
12	$24,916	$255,457
15	$27,227	$334,780
18	$29,751	$421,460

Reading the chart

The line is the running total cost, year by year, for a child. At 18,000 dollars a year today growing at 3 percent inflation, the total passes 100,000 dollars around year six and reaches about 421,460 dollars by the time the child turns 18.

The line curves upward rather than running straight, because each later year costs more in actual dollars than an earlier one. Slide the yearly cost to match your own situation, since where you live and your childcare choices move the total more than anything else.

What it does and does not include

This covers the everyday costs of raising a child, housing, food, childcare, healthcare, and the rest, grown by inflation. It stops at 18 and leaves out college, which is a separate and often large cost.

The biggest swing factor for many families is childcare in the years before school, which can rival a mortgage payment and then fall away. Pair this with the Cost of Raising a Child calculator for the full breakdown and the 529 College Savings calculator to plan for tuition on top.

Key takeaway. The yearly cost is manageable, but the 18-year running total reaches into the hundreds of thousands, and college comes after that.

Assumptions

- Each year cost is the starting yearly cost grown by inflation, and the running total is the sum through that year.
- College is not included, since it comes after these years and varies widely. Use the 529 College Savings calculator for that.

Sources

- U.S. Department of Agriculture, expenditures on children by families
- U.S. Bureau of Labor Statistics, Consumer Price Index