The Third-Paycheck Month

Twice a year, a third paycheck lands — and no regular bills are assigned to it. Give it a job before it arrives.

Why it happens

If you're paid every two weeks, you get 26 paychecks a year. Most months hold two of them — but 12 months × 2 checks is only 24. The other two checks have to land somewhere, so **two months a year hold three paychecks instead of two**.

Which two months depends on where your paydays fall, and it shifts a little from year to year. If your first payday of the year comes early in January, your three-paycheck months tend to come earlier too. There's nothing random about it — once you know one payday, you can count forward by twos and find both months on a calendar.

The check with no job

Here's why this check matters so much. Your regular bills — rent, utilities, insurance, the phone — are monthly. They're already claimed by the usual rhythm of two checks a month. When the third check lands, **no regular bill is waiting for it**. It's the closest thing most budgets ever get to a check that arrives unspoken-for.

That also makes it the easiest check of the year to lose. Money with no job wanders — a little here, a little there — and two weeks later it's gone, with nothing to show for it. That isn't a character flaw. It's what unassigned money does, to everybody.

Plan it before it lands

The whole trick is to give the third check its orders *before* payday, while the decision is calm. A simple order of operations:

- **Cushion first.** If you don't yet have a small buffer sitting between you and the next surprise, this check is how you build one.
- **Then a debt.** An extra payment aimed at one balance does more work here than it does spread thin.
- **Then a goal.** Whatever you're saving toward gets a real jump instead of a month's usual step.

> Say the third check is **$1,400**. One possible plan: $700 to the cushion, $400 extra on a credit card, and $300 toward a goal. $700 + $400 + $300 = $1,400 — the whole check, assigned before it lands. Your split will look different; the point is that it's *yours*, decided ahead of time.

Two plain cautions

Don't build your regular budget on it. It only comes twice a year. If your monthly plan needs the third check to work, the plan is short the other ten months. Treat it as what it is: a twice-a-year boost, aimed at the cushion, a debt, or a goal — not a patch for an everyday gap.

Check for payday-based payments. If something comes out every two weeks instead of monthly — a car payment set to payday, for instance — that payment still claims its share of the third check. Whatever's left after it is the truly unassigned part, and that's the part to plan.

New to budgeting by the check? Start with the basics in How to Budget a Biweekly Paycheck.