Let's Talk TAXES

IT'S A MONEY THING®

HOW TO READ YOUR PAY STUB

Your pay stub is more than just proof of income. It allows you to better understand your personal finances and to make informed decisions when it comes to budgeting and tax time.

Your pay stub may look a little different. Although all pay stubs contain the same basic information, the layout and wording can vary from employer to employer. There may also be additional taxes and deductions unique to your city or state.

Company Name
1234 Main Street
Anytown, Anystate
012345

1

Earnings Statement
Check Number: #####
Pay Period: 05/14/2018 - 05/27/2018
Check Date: 05/27/2018

EMPLOYEE NO.	EMPLOYEE NAME	SOCIAL SECURITY NO.
492834	Your Name	XXX-XX-XXXX

EARNINGS	RATE	HOURS	TOTAL
Gross Wages	00	70	$0,000.00

2

DEDUCTIONS	AMOUNT	YTD
FICA Med Tax	00.00	0,000.00
FICA SS Tax	00.00	0,000.00
Fed Tax	00.00	0,000.00
State Tax	00.00	0,000.00
City Tax	00.00	0,000.00
SSDI	00.00	0,000.00

3

DESCRIPTION	AMOUNT	YTD
401(k) Contribution	00.00	0,000.00
Medical Premium	00.00	0,000.00
Dental Premium	00.00	0,000.00

4

TAXES
Marital Status
Allowances
Additional Withholding

5

YTD GROSS	CURRENT DEDUCTIONS	YTD DEDUCTIONS	NET PAY	YTD NET PAY
6 00,000.00	7 000.00	000.00	00,000.00	00,000.00 8

Source: Time.com

TAKE A TOUR OF YOUR PAY STUB

1 **Basic info:** Your pay stub includes employer and employee details and outlines the time period for which your paycheck is issued.

2 **Gross Pay:** The amount you earn per pay period. It may be expressed as your salary divided by the number of paychecks you receive per year, or as your hourly rate multiplied by the hours worked. Overtime compensation will be calculated here, as well.

3 **Withholdings:** These are mandatory deductions that your employer withholds for the government.

4 **Voluntary Deductions:** These are deductions you opt into, like retirement savings contributions.

5 **Tax Filing Status:** This information comes from your W-4 form and outlines any tax allowances you are entitled to.

6 **YTD Gross:** Your gross pay multiplied by the number of pay periods so far in the calendar year.

7 **Current and YTD Deductions:** The total amounts you've paid in taxes and other deductions.

8 **Net Pay and YTD Net Pay:** Your take-home pay—for the pay period and thus far in the calendar year.

COMMON ABBREVIATIONS

- **FICA:** Federal Insurance Contributions Act
- **FT or FWT:** Federal Tax or Federal Tax Withheld
- **MWT or Med Tax:** Medicare Tax Withheld
- **SS or SSWT:** Social Security or Social Security Tax Withheld
- **SSDI or SSD:** Social Security Disability Insurance
- **ST or SWT:** State Tax or State Tax Withheld
- **YTD:** Year To Date

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