

How to read a pay stub

BIG BOX STORE				EARNINGS STATEMENT		
EMPLOYEE NAME	SOCIAL SEC. NO.	EMPLOYEE ID	CHECK NO.	1 PAY PERIOD	PAY DATE	
Casey Smith	123-45-6789	101	123	8/01/22-8/15/22	8/22/22	
INCOME	RATE	HOURS	CURRENT TOTAL	DEDUCTIONS	CURRENT TOTAL	YEAR TO DATE
2 GROSS INCOME			200.00	4 FEDERAL TAX	8.63	93.51
				5 FICA SS TAX	12.40	125.40
				6 FICA MEDICARE	2.90	31.90
				7 STATE TAX	0.74	8.21
3 YTD GROSS INCOME	YTD DEDUCTIONS	YTD NET INCOME		TOTAL	8 DEDUCTIONS	9 NET INCOME
2,800.00	479.02	2320.98		200.00	24.67	175.33

1 Pay period

Calendar days included in the paycheck. Your employer sets up the schedule of when you are paid.

Money you've earned

2 Gross income

Total pay before taxes and other deductions are taken out.

3 YTD (year-to-date)

Summary of total gross income, deductions, and net income since the start of the year.

9 Net income

Amount of money you receive in your paycheck after taxes and other deductions are taken out; also called take-home pay.

Money taken out of your paycheck

4 Federal tax

Amount withheld for federal income tax. This is deducted each pay period so you do not have a large tax bill when you send in your tax return.

5 Federal Insurance Contributions Act (FICA) Social Security tax

Amount withheld by your employer to pay your Social Security tax. Social Security provides benefits for retired workers, people with disabilities, and the dependents of both. You and your employer contribute to Social Security; your paycheck shows your share.

6 FICA Medicare

Amount withheld by your employer to pay your Medicare tax. Medicare is a federal health insurance program for people who are 65 or older, certain younger people with disabilities, and people with permanent kidney failure requiring dialysis or a transplant.

7 State tax

Amount your employer withholds to pay your state income tax. (Not all states have income tax.) This is deducted each pay period so you do not have to pay a large amount when you file your tax return.

8 Deductions

Taxes, insurance premiums, and the cost of other programs that are subtracted from your gross income.