

# How to read a pay stub

A pay stub is a record of how much money a person earned. It also shows how much money was taken out of their paycheck for taxes and other deductions.

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	8/01/16-8/15/16	8/22/16	
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

## Payment period

### 1 Pay period

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

## Money 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 bring home in your paycheck after taxes and other deductions are taken out; also called take-home pay.

## Money taken out

### 4 Federal tax

Amount withheld each pay period for federal income tax.

### 5 Federal Insurance Contributions Act (FICA) Social Security tax

Amount withheld to pay your Social Security tax. Social Security provides benefits for retired workers, people with disabilities, and the dependents of both.

### 6 FICA Medicare

Amount withheld to pay your Medicare tax. Medicare is a federal health insurance program for people 65 or older, certain younger people with disabilities, and people with certain medical conditions.

### 7 State tax

Amount withheld to pay your state income tax, if your state has one.

### 8 Deductions

Taxes, insurance premiums, and the cost of other programs are called deductions and are subtracted from your gross pay.