

Decoding Your Pay Stub



YUMMY CANDY STORE
123 ROAD STREET
YOUR CITY, STATE 12345

EARNINGS STATEMENT

EMPLOYEE NAME: Joe Worker

SSN: XXX-XX-4321

1 PAY PERIOD: 1/21/2023 - 2/3/2023

CHECK DATE: 2/11/2023

	2			
Earnings	Rate	Hours	This Period	Year-To-Date
Regular	15	45	675	1350
3 Gross Pay			675	1350

Other Deductions	This Period	Year-To-Date	
Retirement	33.75	67.5	
8 Other Deductions Total	33.75	67.5	

Tax Deductions	This Period	Year-To-Date	
4 Federal Income		7.34	14.68
FICA Social Security 5		41.85	83.70
6 FICA Medicare		9.79	19.58
State Income 7		0.00	0.00
Tax Deduction Total		58.98	117.96

9 Net Pay	582.27	1,164.54
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1 Pay Period: Days included in paycheck; can be weekly (once a week), bi-weekly (every two weeks), bi-monthly (twice per month), or monthly (once a month).

2 Pay Rate: Amount paid for a certain period (i.e., per hour).

3 Gross Pay: Amount before taxes and deductions are taken out.

4 Federal Taxes: Amount your employer withholds to cover Federal taxes you may owe.

5 FICA Social Security: Amount your employer withholds to pay your Social Security tax.

6 FICA Medicare: Amount withheld by your employer to pay your Medicare tax.

7 State Tax: Amount your employer withholds to cover State taxes you may owe. (Not all states have state taxes).

8 Other Deductions: Voluntary deductions such as insurance premiums (health, dental, life) or retirement plans.

9 Net Pay: Gross Wages minus all deductions; your “take-home” pay.

Definitions:

- **FICA:** Federal Insurance Contributions Act. A federal law that requires employers to withhold Social Security and Medicare taxes from employees’ paychecks.
- **Social Security:** A federal program that primarily provides benefits to retired people and the disabled.*
- **Medicare:** Medicare is a federal health insurance program generally available to those 65 and older or disabled.*

**Both you and your employer contribute to Social Security and Medicare. Your paycheck shows the part you pay.*