

Understanding your
PAYCHECK



Gross Pay

The total amount you earn before withholdings

You usually think of it in terms of your salary or your hourly wage



Net Pay

Your take-home pay

It's what's left of your earnings after withholdings have been deducted



Withholdings

The portion of your paycheck that your employer withholds for the government

These can also be referred to as **Involuntary** or **Mandatory Deductions**



Deductions

Other, voluntary amounts that are taken from your paycheck

They vary from person to person and are also known as **Voluntary Deductions**

Your pay stub may look a little different

Keep in mind that your pay stub may use the term “deduction” to refer to **both** withholdings **and** deductions

