

# 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.

EMPLOYEE NO.				EMPLOYEE NAME				SOCIAL SECURITY NO.			
492834				Your Name				XXX-XX-XXXX			
EARNINGS	RATE	HOURS	TOTAL	DEDUCTIONS		AMOUNT	YTD				
Gross Wages	00	70	\$0,000.00	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				
DESCRIPTION	AMOUNT		YTD	TAXES							
401(k) Contribution	00.00		0,000.00	Marital Status							
Medical Premium	00.00		0,000.00	Allowances							
Dental Premium	00.00		0,000.00	Additional Withholding							
YTD GROSS	CURRENT DEDUCTIONS		YTD DEDUCTIONS	NET PAY		YTD NET PAY					
00,000.00	000.00		000.00	00,000.00		00,000.00					

Source: Time.com

### TAKE A TOUR OF YOUR PAY STUB

- Basic info:** Your pay stub includes employer and employee details and outlines the time period for which your paycheck is issued.
- 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.
- Withholdings:** These are mandatory deductions that your employer withholds for the government.

- Voluntary Deductions:** These are deductions you opt into, like retirement savings contributions.
- Tax Filing Status:** This information comes from your W-4 form and outlines any tax allowances you are entitled to.
- YTD Gross:** Your gross pay multiplied by the number of pay periods so far in the calendar year.
- Current and YTD Deductions:** The total amounts you've paid in taxes and other deductions.
- 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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