

# DECIPHERING YOUR PAYCHECK

Use this handy cheat sheet to explain the basics of your kid's first paycheck—and to refresh yourself.

## 1 Pay Schedule

Paychecks are often doled out biweekly (every two weeks).

## 2 Deductions

These are subtracted from your paycheck before the government takes any taxes out. (That's a good thing.) They go toward things like your 401(k), health insurance, FSA (Flexible Savings Account), etc.

## 3 401(k)

If you have access to this retirement savings account, contribute at least as much as your company is willing to match. Both your contribution and any employer match will appear on your paycheck.

## 4 Taxes

Income tax (federal, state, and local) helps the government fund schools, highways, and more. You'll also pay into Social Security and Medicare.

## 5 Automatic Saving

Talk to your HR rep about having some of your pay automatically sent to a savings account, with the rest going to checking. It's a relatively painless way to accumulate a savings cushion.

## 6 Gross vs. Net Pay

Gross pay is the amount you earn before taxes are taken out. Net pay is the amount you receive after taxes and other deductions are subtracted.

Your Employer				PAY STATEMENT				
123 45th Street Anytown, NY 00000				Period Start Date	01/03/2018			
				Period End Date	01/16/2018			
				Pay Date	01/19/2018			
				Document	6090452			
				Net Pay	\$1,110.24			
PAY DETAILS								
Your Name	Employee No.	341637	Pay Group	PRN/Sales Non-exempt	Federal Income Tax			\$2
247 Working Road Anytown, NY 00000	SSN	xxx-xx-xxxx	Location	123 45th St.	NY State Income Tax (Residence)			\$0
	Pay Rate	\$20.18	Division	Publishing	NY State Income Tax (Work)			\$0
	Pay Frequency	Biweekly	Department	131033 - EMPLOYER EDITORIAL				
	Annual Rate	\$36,734.00						
EARNINGS				DEDUCTIONS				
Pay Type	Hours	Pay Rate	Current	YTD	Deduction	Pre-Tax	Current	YTD
Overtime .5	0.0000	\$0.0000	\$0.00	\$19.60	401(k)	Yes	\$98.88	\$188.83
Regular	35.0000	\$20.1835	\$706.42	\$0.00	Critical Illness	No	\$1.04	\$2.08
Regular	35.0000	\$20.1835	\$706.42	\$2,475.12	Delta Std	Yes	\$7.23	\$14.46
Straight OT 1.0	5.0000	\$20.1835	\$100.92	\$0.00	Group Accident	No	\$4.85	\$9.70
Straight OT 1.0	5.0000	\$20.1835	\$100.92	\$299.82	Anthem BCBS CDH	Yes	\$16.88	\$33.76
Vacation	0.0000	\$0.0000	\$0.00	\$352.72	HSA Single	Yes	\$1.16	\$2.32
					Life Ins 50k	No	\$0.00	\$0.00
					LTD 50	No	\$0.00	\$0.00
					Vision	Yes	\$3.00	\$6.00
Total Hours	80.0000				TAXES			
					Taxes	Current	YTD	
					Employee Medicare	\$23.01	\$44.82	
					Federal Income Tax	\$145.88	\$280.19	
					New York R	\$41.40	\$79.79	
					NY State Income Tax	\$64.76	\$124.54	
					Social Security Employee Tax	\$98.35	\$191.62	
PAID TIME OFF				NET PAY DISTRIBUTION				
Plan	Current	Balance		Account Number	Account Type	Amount		
Personal Time	0.0000	28.0000		xxxxx5437	Checking	\$1,060.24		
Sick Pay	0.0000	70.0000		xxxxx7531	Savings	\$50.00		
Vac Carryover	0.0000	31.9026		Total		\$1,110.24		
Vacation	5.3851	10.7702						
PAY SUMMARY								
	Gross	FIT Taxable Wages	Taxes	Deductions	Net Pay			
Current	\$1,614.68	\$1,489.53	\$373.40	\$131.04	\$1,110.24			
YTD	\$3,147.26	\$2,901.89	\$720.96	\$257.15	\$2,169.15			