

Understanding Your Paycheck

Why is the money you receive in your paycheck less than your total earnings?
Learn where that money goes.



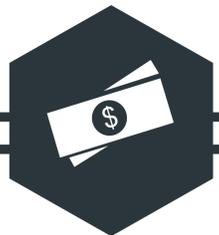
What you MAKE and what you TAKE

GROSS PAY

Total amount of regular pay, overtime and any other reimbursements you receive during a pay period. Could include hours worked at an hourly rate, or annual salary divided by number of pay periods per year.

NET PAY

The amount you receive after your employer takes out withholdings and deductions.



Payments made for you by your employer



MANDATORY WITHHOLDINGS

- Federal income taxes
- Social Security
- Medicare
- State and local taxes
- Court-required withholding



VOLUNTARY DEDUCTIONS

- Medical insurance
- Retirement savings/401K
- Uniform fees
- Parking fees



Hint: Learn how to read your paystub - the form you get each time you get paid - to better understand your withholdings and deductions.

