

# UNDERSTANDING OUR PAYCHECK

Spirit Pet, 1200 W 10th St. Kansas City, MO, 64021		EARNINGS STATEMENT	
EMPLOYEE NAME	SOCIAL SEC. NO.	EMPLOYEE ID	
Stein, Scott	XXX-XX-1921	343434	
CHECK NO.	PAY PERIOD	PAY DATE	
1253	01/15/2017-01/31/17	01/31/17	
INCOME	CURRENT TOTAL	YTD	
<b>1</b> GROSS WAGES	<b>1,192.00</b>	<b>2,384.00</b>	
DEDUCTIONS	CURRENT TOTAL	YTD	
<b>2</b> EE Medical	27.00	54.00	
<b>2</b> 401k	35.00	70.00	
<b>TOTAL</b>	<b>62.00</b>	<b>124.00</b>	
TAXES	CURRENT TOTAL	YTD	
<b>3</b> Federal Taxes	152.31	304.62	
<b>4</b> MO Taxes	39.00	78.00	
<b>5</b> KCMO Taxes	21.30	42.60	
<b>6</b> Medicare	15.25	30.50	
<b>6</b> SocSec	66.00	132.00	
<b>TOTAL</b>	<b>293.86</b>	<b>587.72</b>	
TAXES + DEDUCTIONS	CURRENT TOTAL	YTD	
<b>TOTAL</b>	<b>355.86</b>	<b>711.72</b>	
INCOME	CURRENT TOTAL	YTD	
<b>7</b> NET PAY	<b>836.14</b>	<b>1,672.28</b>	

## **1** Gross pay

This is what Scott makes before taxes and any other deductions.

## **2** Voluntary deductions

These are deductions from Scott's paycheck for things like a retirement 401(k), health insurance, and dental or vision insurance.

## **3** Federal taxes

These are the taxes he pays to the federal government for things like national defense, highway repairs, and more.

## **4** State taxes

These are the taxes Scott pays that go to the state government to pay for things like education, law enforcement, programs for the needy, and more.

## **5** Local taxes

These are the county or city taxes Scott pays that cover things like emergency services from police and firefighters, and other municipal projects.

## **6** Payroll taxes

This money pays for the Medicare and Social Security programs.

## **7** Net pay

This is Scott's gross pay minus taxes and voluntary deductions.