

RETEACHING ♦ Payroll Deductions and Net Pay

Steve worked 36 h at a rate of \$9.75 per h. His Federal Withholding Tax was \$38.61 and his Social Security Tax was \$24.57. He also had \$10.53 deducted for insurance. What was Steve's weekly net pay?

1. *Multiply* the hours worked by the hourly wage to find the weekly gross pay? $36 \times \$9.75 = \351
2. *Add* to find the total deductions. $\$38.61 + \$24.57 + \$10.53 = \73.71
3. *Subtract* the deductions from the gross pay. $\$351 - \$73.71 = \$277.29$

Steve's weekly pay was **\$277.29**.

Complete the table. (*Keep in mind:* to find the net pay, subtract the total deductions from the gross pay.)

Hours worked	Hourly wage	Gross pay	Federal tax	Social Security	Other deductions	Total deductions	Net pay
40	$\times \$6.75 =$	\$270.00	\$29.70	$+ \$18.90$	$+ \$8.10$	$= \$56.70$	\$213.30
1. 35	\$9.50	_____	\$36.58	\$23.31	\$9.99	_____	_____
2. 32	\$5.80	_____	\$20.42	\$13.02	\$5.58	_____	_____
3. 38	\$7.15	_____	\$29.89	\$19.04	\$8.16	_____	_____
4. 40	\$4.35	_____	\$19.14	\$12.18	\$5.22	_____	_____
5. 37	\$8.26	_____	\$33.62	\$21.42	\$9.18	_____	_____
6. 36	\$3.95	_____	\$15.64	\$9.94	\$4.26	_____	_____
7. 35	\$6.82	_____	\$26.27	\$16.73	\$7.17	_____	_____
8. 34	\$5.43	_____	\$20.31	\$12.95	\$5.55	_____	_____
9. 40	\$7.67	_____	\$33.75	\$21.49	\$9.21	_____	_____

Tara worked 40 h this week at \$12.25 per h. Her Federal Withholding Tax was \$53.90 and her Social Security Tax was \$34.30. She also had \$9.80 deducted for insurance.

Complete the earnings statement below for Tara.

Employee <u>Tara Stevens</u>	Week Ending: 11/25
Earnings	Taxes and Deductions
Regular Earnings: 10. _____	Federal Taxes: 13. _____
Overtime Earnings: 11. _____	Social Security: 14. _____
Gross Earnings: 12. _____	Insurance: 15. _____
	Total Deductions: 16. _____
	Net Pay: 17. _____

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