

Determine Current Monthly Income



Gross Income

Take a look at a recent pay stub. Gross pay is the total amount before deductions and taxes. This is your pay for one period. Figure out how often you are paid, and multiply the gross pay accordingly

\$ 1,923 (Single Pay Stub)
X 26 Pay Periods (Bi-Weekly)
\$50,000 (Total Gross Income)

A chalkboard with a brown frame containing the calculation for total gross income. The numbers are written in white chalk.

Deductions

Describes the amount that an employee pays to cover employment expenses.

Deductions Include:

Health Insurance – Short-term and Long-term Disability – 401(k) / Profit Sharing – Garnishments – Union Dues

\$50,000 (Total Gross Income)
- \$5,000 (Deductions)
- \$2,000 (401(k))
- \$2,000 (Medical Expenses)
\$41,000 (Total Taxable Income)

A chalkboard with a brown frame showing the deduction process. The numbers are written in white chalk.

Taxes

Income Tax encompasses all of the following:

Federal	25.00 %
FICA	8.00 %
State	3.07 %
Local	1.00 %

Net Income

Amount of money you receive after taxes and other deductions

\$41,000 (Total Taxable Income)
- \$10,000 (Taxes)
*Tax Rates calculated as (\$50,000 Income in PA)
\$31,000 (Net Income)

A chalkboard with a brown frame showing the final net income calculation. The numbers are written in white chalk.