FREE DOWNLOADABLE GUIDE

How to Read a Pay Stub

A quick, numbered walkthrough of every line on a standard U.S. earnings statement.

PAYSCHECKCALCULATOR CO. — **EARNINGS STATEMENT**

Employee: Jordan Lee   ID: #EMP-2044

Pay Period: 10/01/26–10/15/26 Pay Date: 10/20/26

	LINE ITEM	CURRENT	YEAR-TO-DATE
1	**Gross Pay**	$2,187.50	$50,250.00
2	**Federal Income Tax (FIT)**	-$240.50	-$5,531.50
3	**FICA – Social Security (6.2%)**	-$132.53	-$3,047.19
4	**FICA – Medicare (1.45%)**	-$30.99	-$712.13
5	**State Income Tax**	-$65.63	-$1,507.50
6	**Pre-Tax 401(k)**	-$109.38	-$2,512.50
7	**Health Insurance (pre-tax)**	-$50.00	-$1,150.00
	Net Take-Home Pay	**$1,558.47**	
8	**Year-to-Date (YTD) Totals — cumulative since Jan 1**		

Quick check: Before anything else, confirm your name, pay period dates, and pay date are correct. An error here can signal a payroll mistake worth reporting to HR right away.

1 Gross Pay

Your total earnings for this period before any tax or deduction is subtracted — the starting number everything else is calculated from.

3 FICA – Social Security

A flat 6.2% of Social Security-taxable wages, funding retirement, disability, and survivor benefits. Your employer matches this amount.

5 State Income Tax

Withheld for the state where you work or live, based on that state's own brackets. Some states charge no income tax at all.

7 Health Insurance (pre-tax)

Your share of medical premiums, usually deducted under a Section 125 plan — which also reduces your FICA-taxable wages.

2 Federal Income Tax (FIT)

Withheld based on your W-4 elections and IRS tax brackets, so you don't owe a lump sum when you file your return.

4 FICA – Medicare

A flat 1.45% of Medicare-taxable wages, funding federal health coverage for people 65+ and certain people with disabilities.

6 Pre-Tax 401(k)

Money set aside for retirement before income tax is calculated — it lowers your taxable income, though it's still subject to FICA.

8 Year-to-Date (YTD)

The running total of gross pay, taxes, and deductions since January 1. It should match your Form W-2 at year-end.

A Few More Things Worth Knowing

Employer 401(k) Match: Many employers add their own contribution on top of yours, shown separately from your deductions — check your benefits summary to see if you're getting the full match.

Tax Credit vs. Tax Deduction: A deduction lowers the income your tax is calculated on. A credit is a dollar-for-dollar reduction of the tax you owe — worth more per dollar.

PTO / Vacation Balance: Many stubs list remaining vacation, sick, or PTO hours next to your earnings. Review this regularly so it matches your time-off requests.

Want your exact take-home pay? Use the free Paycheck Calculator at **payscheckcalculator.com** to see your real net pay for any U.S. state, based on your own filing status and deductions.