

Reading your pay stub

Easy · 10 min to do · Free

YOU'LL NEED

- ☐ Your latest pay stub (paper, or in your employer's payroll app)
- ☐ Your own record of hours worked: a phone note or photo of the schedule
- ☐ Your offer letter or a note of your pay rate

DO IT LIKE THIS

- 1 **Check the basics: your name, the pay period dates and pay date, your hours and your rate.** A pay stub, also called an earnings statement, shows what you earned and what was taken out. Compare the hours to your own record.
- 2 **Check overtime.** Unless you're exempt, federal law requires overtime at no less than one and a half times your regular rate for hours over 40 in a workweek. Hours aren't averaged across two weeks, and weekends and holidays don't automatically count as overtime. Some states go further: California, for example, also requires overtime after eight hours in a day.
- 3 **Check your rate against the minimum wage.** The federal minimum is \$7.25 an hour. Many states set a higher one, and when both apply, you get the higher rate. Look up your state on the DOL's state minimum wage table.
- 4 **Find gross pay: everything you earned before anything is taken out.**
- 5 **Find the taxes.** Employers must withhold federal and state taxes and FICA, which funds Social Security and Medicare, and in some states disability or unemployment insurance. Social Security is 6.2% of your wages and Medicare is 1.45%. Federal income tax withholding depends on your W-4.
- 6 **Find benefit deductions, like health insurance or a retirement savings account.** Make sure they match what you signed up for.
- 7 **Find net pay, your take-home pay, and make sure it matches what hit your bank account.**
- 8 **Check the year-to-date (YTD) column.** It adds up every paycheck so far this year and should match your W-2 in January.

Watch out If your hours or pay are wrong, tell payroll right away and keep a copy of the stub. Overtime is normally supposed to be paid on the regular payday for the period you earned it.

DAD NOTE Check every stub like someone else wrote it. Because someone else did.

Full lesson: aptkeys.com/work/your-first-weeks-on-the-job/reading-your-pay-stub/

Checked October 2, 2026. Sources: Internal Revenue Service; Federal Trade Commission; U.S. Department of Labor.