

Calculation of Your Paycheck

Calculate Total Gross Earnings		
Total gross earnings are calculated using earn codes and amounts to calculate pay.		
Calculate Federal and State Taxable Gross Income		
	Total Gross Earnings <small>(On the paystub this is labeled "Total Gross")</small>	Example: regular, overtime, achievement awards, compensated leave, taxable business expense reimbursements & relocation payments
less	Before-Tax Deductions	Example: deferred compensation, TSA, medical, dental, retirement, medical/dental expense account, parking/van pool account
less	Non-Taxable Amounts	Example: business expenses; non-taxed relocation payment types
plus	Employer-Paid Taxable Benefits	Example: basic life premiums over \$50,000, personal use of state vehicle
equals	Taxable Gross Income <small>(On the paystub this is labeled "Federal Gross")</small>	
Calculate Taxes		
Taxes are calculated on taxable gross income. Calculations on most earnings will be made using your W-4 information and the IRS tax tables. The exception is supplemental earnings, such as overtime and retro back pay, which are taxed instead using a percentage defined by federal and state tax authorities.		
Calculate Net Pay		
	Total Gross Earnings	
less	Before-Tax Deductions	Example: deferred compensation, TSA, medical, dental, retirement, medical/dental expense account, parking/van pool account
less	Taxes	As calculated above.
less	After-Tax Deductions	Example: union dues, long term care insurance, disability insurance, additional life insurance
equals	Net Pay	