

1. Gross Income per pay period	<u>\$2,000</u>
Minus:	
Taxes	
Federal	<u>\$225</u>
State	<u>\$120</u>
Local/City	<u>\$20</u>
Social Security (FICA)	<u>\$128</u>
Medicare	<u>\$25</u>
2. Total taxes withheld	<u>\$518</u>
Automatic Payroll Deductions	
Medical Insurance	<u>\$54</u>
Life Insurance	<u>\$6</u>
Disability Insurance	<u>\$18</u>
Dental Insurance	<u>\$16</u>
Charitable Contributions	<u>\$10</u>
Retirement Plan 401(k), 403(b), and so on	<u>\$200</u>
Retirement Plan Loan Repayment	<u>\$</u>
Deferred Compensation Plan	<u>\$</u>
Employee Stock Purchase Plan	<u>\$</u>
Flexible Spending Acct FSA (Section 125)	<u>\$192</u>
U.S. Savings Bonds	<u>\$</u>
Other Automatic Drafts for Investments	<u>\$</u>
Other Automatic Drafts for Expenses	<u>\$</u>
3. Total payroll deductions (excluding taxes)	<u>\$496</u>
4. Net income per pay period (Line 1 – [Line 2 + Line 3])	<u>\$986</u>
5. How many times are you paid per year?	<u>26</u>
a. Weekly = 52	
b. Every other week = 26	
c. Twice a month = 24	
d. Monthly = 12	
6. Multiply Line 4 times Line 5 for annual net income	<u>\$25,636</u>

7. List traditional job-related expenses (annual)	
Expense	
Commuting costs	<u>\$2,750</u>
(Daily round trip 20 miles × \$0.40 mile × number of workdays per year [approximately 250], plus parking at \$3/day)	
Clothing and clothing maintenance	<u>\$1,400</u>
(Suits/uniforms, dry cleaning, shoes, accessories)	
Child care (included in FSA in Step 2)	<u>\$</u>
Unreimbursed business expenses	<u>\$300</u>
(Association dues, union dues, subscriptions, licenses, and so on)	
8. List nontraditional job-related expenses (annual)	
You may incur these expenses due to the stress of your job, long hours, or working conditions. Examples include dining out frequently because you're working long hours, going out for lunch instead of preparing them at home, treating yourself to much-needed massage therapy or vacations to help decompress from the stresses of your job, and so on.	
Expense	
Dinner out twice a week versus meals at home	<u>\$2,000</u>
(Family of 4, dining out costing approximately \$20 per meal more than preparing at home × 100 meals per year)	
Lunch out versus preparing lunches at home	<u>\$1,000</u>
(Assuming lunches for worker only, not entire family, at an additional \$4 per day)	
Purchasing coffee or soda at work	<u>\$500</u>
(Assuming two drinks per day at \$1 more than bringing from home or drinking water)	
Monthly massage-therapy sessions	<u>\$720</u>
Lawn mowing service versus do-it-yourself	<u>\$1,300</u>
All-inclusive family vacation versus less expensive alternatives (half of actual additional cost, partner covers other half)	<u>\$2,000</u>
9. Total annual expenses on Lines 7 and 8	<u>\$11,970</u>
10. Subtract Line 9 from Line 6 for annual spendable income	
11. Divide Line 10 by number of hours worked per year (traditional full-time work equals 2,000 hours)	
Equals your net hourly spendable income	<u>\$6.83 per hour</u>