

Earnings Statement #6

Addition, subtraction, multiplication, division, percents

Below is an earnings statement for Sarah. Below is some terminology you will need to know to answer the questions:

- **Gross pay** is the amount of money made before deductions
- **Net pay** is the amount of money made after deductions (take home pay)
- **YTD** means Year to Date
- **Federal Tax** is the tax taken off by the federal government
- **NWT Tax** is the tax taken off by the NWT government
- **C.P.P.** means Canada Pension Plan
- **E.I.** means Employment Insurance

Earnings Statement						
Employee: Sarah				From: 12/1	To: 12/14	
Earnings				Deductions		
Description	Hours	Rate	Amount	Description	Amount	
Regular	80	\$15.00	\$1,200.00	Federal Tax	\$180.00	
Over time	4	\$22.50	\$90.00	NWT Tax	\$70.80	
				C.P.P.	\$64.39	
				E.I.	\$47.50	
Total			\$1,290.00	Total	\$362.69	
				This Period	YTD	
Gross Pay				\$1,290.00	\$29,670.00	
Net Pay				\$837.31	\$18,505.30	

Personal Finances

Part 1: Answer the following questions using the earnings statement on the previous page for Sarah. A normal day is 8 hours long.

1. How much was put into Sarah's Canada Pension Plan this pay period? _____
2. How much was taken off for E.I. this pay period? _____
3. How much were Sarah's gross earnings during this pay period? _____
4. How much did Sarah earn on an average day assuming that she worked a regular work week? _____
5. How many hours did Sarah work during this pay period? _____
6. How much were Sarah's deductions? _____
7. How much did Sarah take home (after deductions) this pay period?

8. How much was taken for Federal Tax this pay period? _____
9. What are Sarah's gross earnings this year so far? _____
10. What are Sarah's net earnings this year so far? _____
11. Sarah gets time and a half for working overtime. If she works 10 hours overtime, how much gross pay would she receive? _____

Part 2: Complete the earnings statement below and answer the questions on the next page. A normal day is 8 hours.

Example: Lisa made \$2350 for a two week period. She paid \$352.50 in federal taxes.

Problem: What percent was taken off in federal tax?

Solution: Step 1: Divide the taxes by the amount made
 $\$352.50 \div \$2350 = .15$ (you will always end up with a decimal)

Step 2: Multiply $.15 \times 100$ to find the percent = 15%
15% was taken off for federal tax.

Earnings Statement					
Employee: Patricia				From: 07/1	To: 07/14
Earnings				Deductions	
Description	Hours	Rate	Amount	Description	Amount
Regular	80	\$22.00	\$1,760.00	Federal Tax	\$298.65
Overtime	7	\$33.00	\$231.00	NWT Tax	\$117.47
				C.P.P	\$78.23
				E.I.	\$46.59
Total			_____	Total	
				This Period	YTD
Gross Pay				_____	\$28,500
Net Pay				_____	\$19,500

1. What was Patricia's gross pay? _____
2. What were Patricia's deductions? _____

Personal Finances

3. What was Patricia's net pay? _____
 4. How many hours did Patricia work during this pay period? _____
 5. How much gross pay has Patricia made this year? _____
 6. How much net pay has Patricia made this year? _____
 7. How much more money does Patricia make per hour in overtime? _____
 8. How much did Patricia make in overtime during this pay period? _____
 9. What percent was taken off for all deductions?(round to the nearest percent)

 10. What percent was taken off for federal tax? (round to the nearest percent)

 11. What percent was taken off for NWT tax? (round to the nearest decimal)
- 1) \$1991 2) \$540.94 3) \$1450.06 4) 87 hours 5) \$28,500
6) \$19,800 7) \$11 8) \$231 9) 27% 10) 15% 11) 5.9%