



The other required form is the I-9, which tells an employer that you are eligible to work in the United States. Proper documentation, like a driver's license and Social Security card, is required to complete this form.

Here are some of Medlock's paycheck pointers:

- A paycheck stub, the slip attached to your paycheck, has lots of information about what you earn and where it goes. All check stubs will show your gross pay and your net pay. You will also see your pay period, which is the work time, from start to finish, that your paycheck covers. "Most employers are now providing employees that information online," notes Medlock. "It's no longer as important to retain that piece of paper."
- In addition to federal and state income taxes, a portion of the money you earn funds the federal Social Security and Medicare programs, which provide retirement and health care benefits for older Americans. "The Social Security tax for 2011 is 4.2% and is scheduled to be 6.2% of wages for 2012," says Medlock. "Those new to the working world are taxed on all of their wages, whereas someone who earns at least \$106,800 does not pay Social Security on wages above that amount. The other component is the Medicare tax, which is 1.45%." You pay into these programs throughout your working career with the expectation of receiving these benefits later in life.
- You may also have a portion of your pay taken out for company benefits, like health and life insurance, retirement plan contributions and childcare assistance. Typically, for instance, your employer will pay a portion of your health care benefits and you will pay the remaining balance. Other benefits that may require partial payment include long-term disability insurance and dental insurance. "Most companies don't start giving benefits to employees until they are working 30 hours a week," says Medlock.
- Be sure to take advantage of direct deposit, where your check is automatically deposited into your bank account. If you don't have a bank account, says Medlock, you may be able to sign up for a payroll card through your employer, which works much like a debit card that can be used at the grocery store or ATM.

If the alphabet jungle on your pay stub – FT, SSWT, MWT – is just too confusing, speak up, urges Medlock. "Payroll professionals are very willing to answer any and all questions." Don't suffer paycheck sticker shock in silence.

### Related Links

- [American Payroll Association](#)
- [National Payroll Week 2011](#)
- [Managing and Maximizing Your Paycheck](#)
- [San Francisco Chronicle: Federal Tax Cut Reflected on Payrolls Differently](#)
- [Mastercard Money Matters National Education Day Scholarship Contest](#)
- [Go Green with your Green](#)