**Career Explorations - Calculating Pay**

**Hourly Wage**

**Gross Pay =** Hoursworked \* Hourly Wage

Example: You work 25 hours and earn $8.00/hr. 25 \* 8.00 = **$200**

**Bonus Pay**

40 to 80 hours Worked

If you work over 40 hours, you get "time and a half" which means for those hours after 40, you get 1.5 \* your wage.

Gross Pay = (40 \* Hourly Wage) + ((hours worked - 40) \* wage\*1.5)

Example # 1: You work 50 hours and earn $9.00 per hour. What is your gross pay?

Gross Pay = (40 \* 9) + ((50-40) \* 9 \* 1.5) 360 + (10\* 9 \* 1.5) = 360 + 135 = **$495**

80+ hours Worked

If you work over 80 hours, you get "double time", which means for those hours over 80, you get double your wage.

Gross Pay = (40 \* Hourly Wage) + (40 \* wage\*1.5) + ((hours worked -80) \* wage \* 2)

Example: If you worked 85 hours and earn $20 per hour, what is your gross pay?

Gross pay = (40\*20) + (40 \* 20 \*1.5) + ((85-80) \* 20 \* 2 800 + 1200 + 200 = **$2200**

**Salary**

Salary is an annual amount you agree to be paid. It is typically reserved for "white collar" jobs, like those in an office. To calculate your paycheck, you must know how often you will be paid.

Salary Gross Pay = Salary / number of paychecks per year.

Example: You have an annual salary of $40,000. You get paid every week. What is your weekly paycheck?

Gross Pay = 40,000 / 52 = **$769.23**

Net Pay (Take home pay)

**Net Pay =** Gross pay \* (1 - Tax Rate)

Example: You work 30 hours and earn $10.00/hr. You pay 24% of your pay in taxes.

Gross Pay = 30 \* 10.= $300 Net Pay = 300 \*(1-.24) 300 \* .76 = **$228**