PUTTING TOGETHER A BUDGET

Now that you've learned about working and perhaps you already have a job. Now we're going to work on a budget of your future living expenses. However, before putting together a workable budget, you need to have a good approximation of what your net income will look like. You can achieve this by knowing the exact amount of net income you will have each week. Your net income is:

Gross Income-taxes and other deductions=net income

I'm giving you a couple of scenarios so that you can calculate a close approximation of what your net income will be. **YOU CANNOT PLAN IF YOU DO NOT KNOW HOW MUCH YOU WILL BE PAID ON A REGULAR BASIS.**

Below are a couple of scenarios for Anthony:
Anthony works in a warehouse as a warehouse order selector earning $18.00 per hour. During any given week Anthony works anywhere from 32-50 hours per week. Anytime Anthony works more than 40 per week he is paid time & ½ for the extra hours only. Figure out Anthony's paycheck for the next three weeks as follows:

Week 1 Anthony worked 40 hours that week.

Week 2 Anthony worked 50 hours that week.

Week 3 Anthony worked 32 hours that week.

You need to figure out the following deductions:

A. Federal tax rate & amount?
B. State tax rate & amount
C. Social Security & Medicare tax rates and amount
D. Health benefits
E. Dental benefits
F. Vision benefits
G. Company contributed (before tax savings plan amount)

You need to figure out Anthony's take home pay (net income) for the 3 weeks.