

High School Prep

Kirkwood Workplace Learning Connection Financial Literacy Fair

Tax Calculation Worksheet

Monthly Budget Sheet

Name \_\_\_\_\_ Class \_\_\_\_\_ Date \_\_\_\_\_

Career/job I have chosen as my dream job to take to the Financial Literacy Fair \_\_\_\_\_

Yearly Salary (Beginning Salary, Year 1 for State of Iowa) \_\_\_\_\_

This is your GROSS ANNUAL SALARY.

Gross Monthly Salary (Take yearly salary and divide by 12) \_\_\_\_\_

Here is how I will figure the taxes that will be taken out of my paycheck each month:

Use MONTHLY salary for these calculations!

SHOW YOUR WORK!

Federal Tax

- Annual Salary up \$39,475      12% (Monthly Salary X .12) \_\_\_\_\_
- \$39,476 - \$84,200      22% (Monthly Salary X .22) \_\_\_\_\_

State Tax is figured using the graduated tax bracket below. Using your yearly or GROSS salary, find where you fit into the bracket below.

Iowa State Tax Graduated Tax Bracket

- \$3,257-\$6,552      2.25% (Salary X .0243)
- \$6,553-\$14,742      4.14% (Salary X .0450)
- \$14,742-\$24,570      5.63% (Salary X .0612)
- \$24,571-\$32,760      5.96% (Salary X .0648)
- \$32,761-\$49,140      6.25% (Salary X .0680)
- \$49,141-\$73,710      7.44% (Salary X .0792)
- \$73,710 +      8.53% (Salary X .0898)

State Tax for Month = (Monthly Salary X % from tax bracket above) \_\_\_\_\_

FICA is 6.2% (Monthly Salary X .062) \_\_\_\_\_

Medicare is 1.45% (Monthly Salary X .0145) \_\_\_\_\_

Total Taxes Taken Out of Paycheck Each Month= Federal Tax + State Tax + FICA + Medicare

Figure Total Taxes for Month Below:

Fed Tax \_\_\_\_\_ + State Tax \_\_\_\_\_ +FICA \_\_\_\_\_ + Medicare \_\_\_\_\_ = \_\_\_\_\_

Net Monthly Salary =

\_\_\_\_\_ - \_\_\_\_\_ = \_\_\_\_\_  
Gross Monthly Salary - Total Taxes = Net Monthly Salary