

\*\*\*Pass out weekly and biweekly tables

## NET PAY EXAMPLE...use the 2018 tables!

Caleb works as a fishing guide and makes \$960 per week. He has to pay a guiding uniform fee of \$15, a \$5 life insurance & \$5 guides union. Determine his net pay using claim code 2!

- STEPS: Calculate...**
1. "Before tax Deductions"
  2. Taxable gross pay
  3. Federal Tax
  4. Provincial tax
  5. CPP
  6. EI
  7. .... NET PAY

1) union  
2) pension  
Gross - Union/Pension

Gross Earnings	\$ 960
Union Dues / Pension	\$ - 5
Taxable Income	\$ 955
Federal Tax	\$ 97.15
Provincial Tax	\$ 73.35
C.P.P.	\$ 44.19
E.I.	\$ 15.94
Other Deductions	\$ 20
Net Pay	\$ 704.37

*Handwritten notes on table:*  
 - Blue box around Gross Earnings, CPP/EI, C.P.P., and E.I.  
 - Blue box around 960.  
 - Red box around 955.  
 - Red arrow from Taxable Income to Federal Tax.  
 - Red arrow from Taxable Income to Provincial Tax.  
 - Red arrow from Taxable Income to C.P.P.  
 - Red arrow from Taxable Income to E.I.  
 - Red arrow from Taxable Income to Other Deductions.  
 - Black arrow labeled 'off' pointing from Taxable Income to Net Pay.  
 - Blue arrow pointing from Gross Earnings to Taxable Income.

**Work on the following...**

*Do examples together using:* [Worksheet - Net Pay.doc](#) 

1. Determine the **net pay** for each of the following **weekly** *Table*  
 a) \$985.34 (*Claim Code 1*) with...  
 pension \$50 & life ins. \$8.10

Gross Earnings	\$ 985.34
Union Dues / Pension	\$ 50
Taxable Income	\$ 935.34
Federal Tax	\$ 95.70
Provincial Tax	\$ 73.15
C.P.P.	\$ 45.44
E.I.	\$ 16.36
Other Deductions	\$ 8.10
Net Pay	\$ 696.59

b) \$950 (Claim Code 3) with...  
 medical/dental \$20.60 & car payment \$115

<b>Gross Earnings</b>	\$ 950
<b>Union Dues / Pension</b>	\$ 0
<b>Taxable Income</b>	\$ 950
<b>Federal Tax</b>	\$ 89.05
<b>Provincial Tax</b>	\$ 69.20
<b>C.P.P.</b>	\$ 43.69
<b>E.I.</b>	\$ 19.77
<b>Other Deductions</b>	\$ 135.60
<b>Net Pay</b>	\$ 596.69

2. Ronald works as snow plow operator where he is paid \$17.50 per hour and is given overtime at time and a half for work beyond 40 hrs. Last week he worked 50 hours. In addition to C.P.P, E.I., and Income Tax, he also pays a \$5.80 deduction for a life insurance policy, \$12.45 for medical benefits and \$10 union dues. Determine his net pay, given that he falls under claim code 1.

Gross Earnings	\$ 962.50
Union Dues / Pension	— \$ 10
Taxable Income	\$ 952.50
Federal Tax	\$ 98.85
Provincial Tax	\$ 75.45
C.P.P.	\$ 44.37
E.I.	\$ 15.98
Other Deductions	\$ 18.25
Net Pay	\$ 699.66

Reg

$$17.50 \times 40 = 700$$

$$OT (x1.5) \quad 17.50 \times 1.5 \times 10 = 262.50$$

$$+ \frac{262.50}{962.50}$$

HOMEWORK... Finish #3

## Attachments

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Worksheet - Net Pay.doc