

FIRST STEP - Income

Finding your monthly "take home pay"

1. Write down your annual salary: _____

2. Find how much you will pay in taxes, this depends on your salary.

If your salary is between 0 and \$30,000, you will pay 20% in taxes.

If your salary is between \$30,001 and \$44,999 you will pay 30% in taxes.

If your salary is between \$45,000 and \$64,999 you will pay 35% in taxes.

If your salary is between \$65,000 and \$99,999 you will pay 40% in taxes.

If your salary is \$100,000 or more, you will pay 45% in taxes.

3. Calculate your tax payment. Tax as a decimal = _____ (Times salary by decimal) = Tax

4. Write down your new "take home" annual salary. Salary – Tax = _____

5. Divide your "take home" salary after taxes by 12, to represent your monthly "take home pay."

6. Record your monthly "take home pay" on your budget sheet. Do not spend more than this amount.

Monthly take-home pay = _____

You may not spend more than this amount during this project.

Part Time Jobs: Any student may choose to have a part-time job in addition to your salary. This represents your willingness to work an extra TWENTY hours every week at a lower paying job, or overtime at your current job to make more money. You may have additional child-care expenses and will probably be very tired all of the time. **A part time job adds \$400** to your income box under "part time jobs and chores" **at the expense of 3 points** off of your grade to represent you being tired all of the time.

Allowance, gifts, and other sources of income must come from a project, idea, or research from a random scenario, work you did at home, or in another class that convinced the teacher that your idea would merit the extra monthly income.