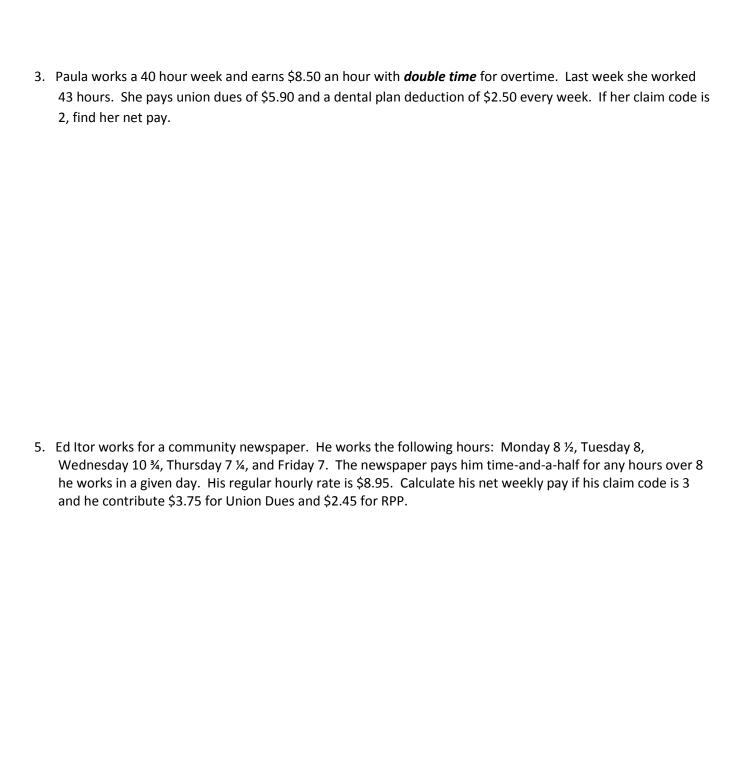
Unit 3 – Fin	ance
3.7 - Net I	ncome
Definitions	
Net Income is the money paid to an employee after taking of	off all deductions from the gross pay.
Overview You can calculate Net Income from gross pay as follows:	
Net Income = Gros	s Pay – Deductions
Deductions = CPP + EI + Federal IT + Provincia	l IT + Any other voluntary deductions
Examples	
1. Mike has a gross weekly wage of \$402.85. Find his Net	Income after the mandatory deductions:
CPP contribution	
El premium	
Federal IT deduction (claim code 2)	
Provincial IT deduction (claim code 2)	
Total Deductions	
Net Income =	=
2. Julie has a gross weekly wage of \$387.93. Find her Net claim code of 3.	Income after the mandatory deductions if she has a

Name: _____



Assignment - Show all work!

1.	Jack's weekly salary is \$386. Find his net pay if his claim code is 2 and if his only deductions are CPP, EI, FIT and PIT.
2.	Paul works a 40-hour week and receives \$8.15 per hour. <i>Time-and-a-half</i> is paid if he works more than 40 hour in a week. Last week he worked 46 hours. Find his net pay if his only deductions are CPP, EI, FIT and PIT (claim code 1).
3.	Justin Case works in a law firm. His hourly rate of pay is \$8.45 and he is paid <i>time-and-a-half</i> for all hours over 8 he works in a given day. Last week he worked the following hours: Monday 8 ½, Tuesday 7 ¾, Wednesday 8, Thursday 10, Friday 7 ½ and Saturday 3 ¾. Find his net weekly pay if his only deductions are CPP, EI, PIT and FIT (claim code 3).
4.	Barb Wire is an electrician. Calculate her net weekly pay for the following hours: Monday 8 ¼, Tuesday 8, Wednesday 9 ¾, Thursday 7 ½, Friday 8 and Saturday 4. Her company pays her an hourly rate of \$8.05 as well as <i>double time</i> for any work on the weekend. In addition to weekly deductions for CPP, EI, PIT and FIT, Barb contributes \$4.75 for union dues and \$22.80 to a RPP. Her claim code is 0.

5. Lorne Order works in a law enforcement agency. His regular wage is \$9.35 and hours and he is paid *time-and-a-half* for Saturday and Sunday work. In additions to deductions for CPP, EI, FIT and PIT, he contributes \$4.50 for union dues and \$3.75 to a charity each week. Lorne's claim code is 4. Complete his time card for the week and calculate his gross wages and net wages.

Employee Name Lorne Order					Hourly Rate of Pay \$9.35			
Day	Mor In	ning Out	Afte In	rnoon Out	Total Hours	Ove In	rtime Out	Total Hours
Mon.	8:00	11:45	1:15	5:00				
Tue.	8:30	12:00	1:00	4:45				
Wed.	8:00	11:45	1:00	4:45				
Thu.	9:00	12:00	1:00	4:45				
Fri.	8:15	11:45	1:30	5:00				
Sat.						9:30	12:00	
Sun.			7.0			1:45	4:45	
		Hours		Rate		Amou	ınt	
Regular						· · · · · · · · · · · · · · · · · · ·		
Ove	rtime							
Total Hours					Gross Wage	es		

СРР	
EI	·.
Union Dues and/or RPP	
Taxable Income	
Income Tax	
Others	
Total Deductions	
Net Wages	