

## Calculating Net Pay

Remember: **Net Pay** is **Gross Pay** after all *deductions* have been taken off. We often call Net Pay “take-home pay”.

Deductions Table			
Deduction	Percent	Maximum Yearly Contribution	Maximum Earnings
Canada Pension Plan (CPP)	4.95%	\$2593.80	\$52 400
Employment Insurance (EI)	1.66%	\$858.22	\$51 700
Federal Income Tax	<b>Annual Salary</b>		<b>Tax Rate</b>
	0 - \$46 605		15%
	\$46 603 - \$93 208		20.5%
	\$93 208 - \$144 489		26%
	\$144 489 - \$205 842		29%
Provincial Income Tax	<b>Annual Salary</b>		<b>Tax Rate</b>
	0 - \$42 960		5.05%
	\$42 960 - \$85 923		9.15%
	\$85 923 - \$150 000		11.16%
	\$150 000 - \$220 000		12.16%
\$220 000 and up		13.16%	

**Example #1:** For each of the following people, calculate their annual salary. Based on their salary, what percent will be deducted from their pay from each category?

Name	Paycheck	Annual Salary	CPP deduction (%)	EI deduction (%)	Federal Tax (%)	Provincial Tax (%)
Damon	\$760 biweekly					
Vicky	\$550 weekly					
Jetta	\$4000 monthly					

**Example 2:** Antoine earns \$450 per week working for Rogers cable at the head office. The deductions from his weekly pay are:

EI	\$9.23
CPP	\$14.65
Income Tax	\$48.76
Company Pension Plan	\$11.98
Health Plan	\$10.57

Determine Antoine's:

a) Gross Pay

b) Total Deductions

c) Net Pay

d) What percentage of his gross pay does Antoine take home?

## Practice Questions

1. Joy's gross weekly income is \$427. Here are her deductions:

EI	\$9.61
CPP	\$15.47
Income Tax	\$57.55
Company Pension Plan	\$10.40

Determine Joy's:

Total Deductions	Net Pay	What Percent of her Gross Earnings does she Keep?

2. Lim earns \$7.98 per hour. He works 36 hours a week. Here are his weekly deductions:

EI	\$6.46
CPP	\$9.47
Income Tax	\$28.55
Company Pension Plan	\$7.18
Savings Plan	\$25.00

Determine Lim's:

Gross Pay	Total Deductions	Net Pay

3. Determine the missing information for each person.

	Name	Gross Pay	Deductions	Net Pay
a)	Win	\$257.20	\$42.49	
b)	Margaret		\$73.11	\$311.96
c)	Mark	\$429.00		\$347.30
d)	Claire		\$109.50	\$388.50

4. Use the Deductions Chart at the beginning of today's note to fill in the following:

Name	Paycheck	Annual Salary	CPP deduction (%)	EI deduction (%)	Federal Tax (%)	Provincial Tax (%)
Jamie	\$950 biweekly					
Claire	\$220 weekly					
Brianne	\$5000 monthly					

## Expressing One Number as a Percent of Another

One month it rained on 4 out of 30 days.

$$4 \text{ out of } 30 \text{ as a percent is } \frac{4}{30} \times 100$$

$$\doteq 13$$

Divide, and multiply by 100.

Use your calculator.

Round to the nearest whole number.

It rained on 13% of the days that month.

1. Express each as a percent, rounded to the nearest whole number.

I 26 of 80 people

K 42 of 175 classes

E 15 of 20 days

T \$38 of \$60

I 48 of 60 pails

M 75 of 80 questions

O 225 of 250 glasses

T 79 of 900 applications

V \$590 of \$720

C 34 of 125 animals

E 88 of 460 athletes

2. a) Write the percents from greatest to least and their letters below.

greatest

least

\_\_\_\_\_

corresponding letter

\_\_\_\_\_

b) What did you spell? \_\_\_\_\_