
Questions for Guided Reading 1 – Answer Key

1. Name three places you can cash your paycheck.

at a business, bank, or credit union

2. List three things your pay stub tells you.

• how much money you earned

• the time, or pay period, you are getting paid for

• what taxes or other money has been taken out of your pay

3. How is your take-home pay, or net pay, calculated?

gross pay minus taxes and benefits costs

4. What does the government do with money you pay for FICA?

pay for Social Security and Medicare programs

5. What information does a W-2 provide?

how much money you earned during the year and how

much was taken out of your pay for taxes

6. What do you use a W-2 for?

to file taxes with the Internal Revenue Service (IRS)

and some states