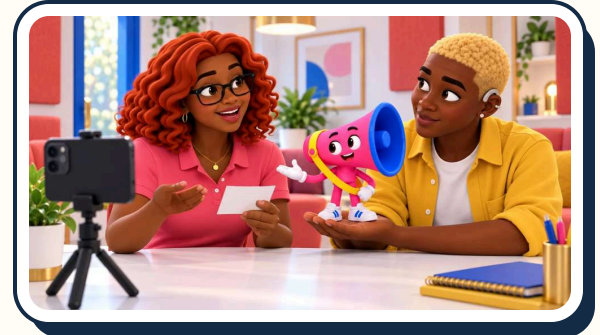


Case 5: Why is my deposit smaller than what I earned?

Gia's bank deposit is smaller than the pay she worked out, so she reads her pay statement line by line before asking payroll.

On your own Read What happened and underline the two hour totals that do not match. About 4 minutes.



Gia holds a small card and talks beside a phone on a tripod. Jordy holds Voz, one of the crew's companions, on an open hand.

Your role: You're the one who adds up Gia's hours before she writes to payroll. **New skill:** Read a pay statement line by line.

What happened

It is Thursday evening, and it is payday for Gia. She works café shifts around her college classes. She checks her bank account and sees a deposit that is smaller than the pay she worked out. Gia keeps a shift log in her notes app. The log says 18 hours, but her pay statement says 15.

Jordy works event shifts, and their deposit looks different too. Jordy's shifts fall on different dates and hours, so their pay cannot explain Gia's. Jordy asks Gia to name the line that worries her instead of posting her whole statement.

Gia's pay statement lists her hours, her hourly rate and four tax lines. She expected the lines for Social Security and Medicare. She does not understand the line for federal income tax. Before she writes to payroll, she wants to know what her own records show.

Your question: Why is Gia's deposit smaller than her own count, and what should she ask payroll?

Key terms

On your own Read each key term and its example, then write your first guess in the box. About 5 minutes.

Gross pay Gross pay is the money you earn before any taxes or other deductions are taken out.

En español: salario bruto

In this case: Gia's statement pays 15 hours at \$17.00 an hour, so her gross pay is \$255.00.

Net pay Net pay is the money left after taxes and other deductions, often called take-home pay.

En español: salario neto

In this case: The \$220.99 that reached Gia's bank account is her net pay, not the amount she earned.

FICA FICA is the federal payroll tax that funds Social Security and Medicare.

En español: FICA (Seguro Social y Medicare)

In this case: On Gia's statement, FICA appears as two lines: Social Security tax, \$15.81, and Medicare tax, \$3.70.

Withholding Withholding is money an employer takes out of each paycheck to pay taxes or other costs for the worker.

En español: retención

In this case: Federal income tax withheld, \$8.40, is a separate line from FICA. The IRS says its amount depends partly on the W-4.

Who is involved



Gia

Works café shifts and keeps her own shift log

"My notes say 18 hours. The statement says 15. I counted twice, so where did three hours go?"



Jordy

Works event shifts on different dates

"Mine is event work. Different dates, different hours. My deposit can't tell Gia anything about hers."

Before you look at the evidence, why do you think Gia's deposit is smaller than she expected?

This image shows a single sheet of white paper with horizontal blue lines, resembling notebook paper. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Reading passage

Pay statements, payroll taxes and privacy

On your own Read the passage. At each Stop and think box, pause and answer the question in your head or with a partner. About 5 minutes.

Words to know

- **Gross pay:** Gross pay is the money you earn before any taxes or other deductions are taken out.
- **Net pay:** Net pay is the money left after taxes and other deductions, often called take-home pay.
- **FICA:** FICA is the federal payroll tax that funds Social Security and Medicare.
- **Withholding:** Withholding is money an employer takes out of each paycheck to pay taxes or other costs for the worker.
- **Claim:** A claim is a statement that something is true. You can check a claim with evidence.

The story: A discrepancy with two causes

Gia, 21, works café shifts around her college classes and keeps her own record of every shift in a notes app. On payday, a Thursday, her bank deposit is smaller than her estimate. Her log shows five shifts totaling 18 hours. Her pay statement shows 15. The gap between what she expected and what arrived has two separate causes, and the case asks students to separate them before anyone writes to payroll.

Jordy, who works event shifts on different dates, steers the conversation. Comparing their deposits would prove nothing, because the inputs differ. Jordy also sets two privacy boundaries. Gia should not post her whole statement to the group. When Gia writes to payroll, she should leave out Jordy's pay and her own bank account number, which payroll already has. Keep the shift log, lose the bank details.

Your role is to add up Gia's hours before she writes to payroll. For many young workers, a pay statement is the first place they meet labor law and the social insurance system. It is also where an unreviewed assumption, such as "it all went to taxes," can hide a real error.

❓ Stop and think. Jordy separates two questions: what the deposit shows and what the statement shows. Why does that separation matter?

Two causes, read line by line

Gia's hypothesis that payroll shorted her is a **claim**, a statement that something is true that can be checked with evidence. Testing it draws on skills from earlier cases. Case 1 taught you to go to the original source, and Case 4 taught you to read figures carefully and ask what each one assumes.

The first cause is timing. The statement covers the period ending Friday the 12th and pays 15 hours at \$17.00, for \$255.00 in **gross pay**, the money you earn before any taxes or other deductions are taken out. Gia's shifts through the 12th total exactly 15 hours. The 3-hour shift on Saturday the 13th falls in the next period. The evidence strongly suggests a cutoff issue rather than an error, but only payroll can confirm when those hours will be paid.

The second cause is deductions. Social Security tax (\$15.81) and Medicare tax (\$3.70) are the two components of **FICA**, the federal payroll tax that funds Social Security and Medicare. Federal income tax withheld (\$8.40) and state and local income tax withheld (\$6.10) are separate. **Withholding** is money an employer takes out of each paycheck to pay taxes or other costs for the worker. The remainder, \$220.99, is **net pay**, the money left after taxes and other deductions, often called take-home pay.

A careful reader also notes what the statement does not show. It does not explain how the \$8.40 in federal income tax was figured. Gia asks whether the W-4 she completed on her first day is the reason. That is exactly the kind of targeted question payroll can answer.

 **Stop and think.** What would payroll have to say for the missing hours to count as an error rather than a timing issue?

Institutions behind the statement

The IRS explains that employers withhold federal income tax, Social Security and Medicare from employees' wages, and that the worker's Form W-4 partly determines income-tax withholding (Internal Revenue Service, updated May 1, 2026). Because withholding is credited toward a full year's liability, a single statement cannot reveal what a worker will owe. The IRS Tax Withholding Estimator exists for that check (Internal Revenue Service, updated June 27, 2026). This framework covers employees in the United States. Self-employed workers follow a different process.

The social insurance side is often invisible to new workers. The Peter G. Peterson Foundation explains what payroll taxes fund (May 26, 2026), and NPR's The Indicator explains why the Social Security portion comes out of nearly every paycheck (June 6, 2018). Wage floors shape gross pay before any of this. States can set a minimum above the federal level, and 19 states raised theirs in January 2026 (Money, January 1, 2026).

Professional ethics frames the employer's obligations.

Institutions behind the statement, continued

The PayrollOrg code commits members to “perfect compliance, accuracy, and timeliness of all payroll activities” and to “the absolute confidentiality of the payroll within the procedures of the employer” (PayrollOrg Code of Ethics, no date listed). Jordy’s privacy instincts mirror that second commitment from the worker’s side. The U.S. Department of Labor’s Young Worker Toolkit collects federal rules on young workers’ pay and hours for cases where a paycheck does not add up (U.S. Department of Labor, no date listed). Reading the statement line by line is the new skill here, and later cases ask you to read budgets, forms and offers the same way.

? **Stop and think.** Jordy’s privacy rules mirror a payroll code. Where else should a worker limit what they share about pay?

Sources

Real source | Internal Revenue Service | May 1, 2026

Understanding employment taxes

Real source | Internal Revenue Service | June 27, 2026

Tax Withholding Estimator

Real source | Peter G. Peterson Foundation | May 26, 2026

Payroll Taxes: What Are They and What Do They Fund?

Real source | NPR, The Indicator from Planet Money | June 6, 2018

Social Insecurity

Real source | Money | January 1, 2026

Minimum-Wage Workers in These 19 States Just Got a Raise

Real source | PayrollOrg | No date listed

PayrollOrg Code of Ethics

Real source | U.S. Department of Labor, Wage and Hour Division | No date listed

Young Worker Toolkit

Look at the evidence

On your own Read the pay statement and the shift log, and fill in both boxes for each one. About 8 minutes.

Evidence A | Pay statement

Gia’s pay statement

Pay period ending Friday the 12th, paid the following Thursday. Hours: 15.00 at \$17.00. Gross pay: \$255.00. Social Security tax: \$15.81. Medicare tax: \$3.70. Federal income tax withheld: \$8.40. State and local income tax withheld: \$6.10. Net pay: \$220.99.

Look closely: Which line shows gross pay? Which two lines together make up FICA?

What it shows

What it leaves out

Evidence B | Notes app

Gia’s shift log for the last two weeks

Mon the 8th: 4 hrs. Wed the 10th: 4 hrs. Thu the 11th: 3 hrs. Fri the 12th: 4 hrs. Sat the 13th: 3 hrs. My total: 18 hrs.

Look closely: Which shift falls outside the pay period? Add the hours inside it.

What it shows

What it leaves out

What is still missing from the evidence?

This image shows a single sheet of white paper with horizontal blue ruling lines. The lines are evenly spaced and run across the width of the page. There is no handwriting or other markings on the paper.

Key idea: gross pay and net pay

On your own Read the key idea and the code of ethics, then answer the question in the box. About 8 minutes.

A bank deposit shows how much money arrived, but the pay statement shows how the employer figured it. **Gross pay** is the money you earn before any taxes or other deductions are taken out. For an hourly worker, gross pay is the hours worked times the hourly rate, plus any other earnings. **Net pay** is the money left after taxes and other deductions, often called take-home pay. Gia's deposit is her net pay.

Deductions are the lines between those two totals. **FICA** is the federal payroll tax that funds Social Security and Medicare. On Gia's statement, FICA appears as two lines: Social Security tax and Medicare tax.

Withholding is money an employer takes out of each paycheck to pay taxes or other costs for the worker. Federal income-tax withholding is a separate line from FICA, and the IRS says its amount depends partly on the worker's Form W-4.

A statement can also list other deductions, such as benefit contributions, so read each line's name before you decide it is income tax. The federal income tax taken from each paycheck counts toward the tax a worker owes for the whole year. One paycheck cannot show what that yearly total will be. This explanation covers employees in the United States. Self-employed workers follow a different tax process.

Professional standards

Real source | PayrollOrg

PayrollOrg Code of Ethics: Item 2

"To strive for perfect compliance, accuracy, and timeliness of all payroll activities."

In plain words: Payroll professionals who belong to PayrollOrg aim to pay people correctly and on time.

Question: Gia worked Saturday the 13th, after the pay period ended. What should payroll confirm about when she gets paid?

Professional standards, continued

Your answer

Payroll should confirm _____. This matters because _____.

In the news



Real source | Two Cents, PBS (YouTube) | April 10, 2019

How Do Your Tax Dollars Get Spent?

Starts with a first paycheck that's smaller than expected and explains FICA and income tax withholding.



Real source | NPR, The Indicator from Planet Money | June 6, 2018

Social Insecurity

A short episode on the Social Security part of FICA and why it comes out of nearly every paycheck.

Notes

Sort the evidence

On your own Compare each piece of evidence with each claim and write supports, challenges or neither in each box. About 6 minutes.

Before calling it an error, sort the evidence. Which facts explain the smaller deposit, and which question is still worth asking payroll?

Evidence	Claim 1 Payroll shorted Gia’s pay.	Claim 2 The missing 3 hours belong on the next statement.
1 Shift log shows 18 hours; the statement shows 15		
2 The period ended Friday the 12th; the 3-hour shift was Saturday the 13th		
3 Gross pay of \$255.00 matches 15 × \$17.00		
4 FICA and withholding lines account for the gap between gross and net		

Still open

- Will the Saturday shift actually appear next time? Ask payroll.

Whose perspective is missing?

Whose view is missing from these documents? What would you ask them?

The view that is missing is _____. I would ask _____.

Practice: choose a response

On your own Choose what Gia should do first and explain why, then fix the two marked lines. About 5 minutes.

Gia's deposit is smaller than the pay she worked out. What should she do first?

- ☐ **A** Compare her deposit with Jordy's.
- ☐ **B** Check her hours and the pay period, then read each line of her statement.
- ☐ **C** Treat the whole gap as taxes and let it go.

Why I chose it

Improve a draft

A student's first draft

Hi, my paycheck is wrong. **1** I worked way more hours than what I got paid for and also a lot of money was taken out for taxes which doesn't seem right. I've been working really hard and picking up extra shifts so this is really frustrating. My friend Jordy works similar hours and got more than me. Can you fix it? **2** My account number is 4471-xxxx if you need it. Please let me know as soon as possible because I have bills. Thanks, Gia

Rewrite each marked phrase so it says only what the evidence supports.

Rewrite phrase 1

Rewrite phrase 2

College

Your task

On your own Read the steps and fill in the planner boxes before you start your draft. About 10 minutes.

Write Gia’s question to payroll about the missing hours. Then write a one-page guide for new student workers that walks through her pay statement line by line. The guide could be used in a campus career office’s first-job workshop.

Use: Case documents: Gia’s pay statement, her shift log, her chat with Jordy and her statement. Real sources: the IRS page on employment taxes, the IRS tutorial on gross and net pay and the Department of Labor’s Young Worker Toolkit.

You’ll make: Payroll question, 50—80 words, plus a guide of 300—400 words

Time: 75 minutes

- 1 Reread Evidence A and B, and mark the pay period and the Saturday shift on the calendar.
- 2 Fill in the table, line by line, from gross pay to net pay.
- 3 Write Gia’s payroll question, 50 to 80 words, in the Your draft box.
- 4 Draft the guide’s walkthrough and its privacy note in the Your draft boxes.
- 5 Finish the guide on lined paper, 300 to 400 words.
- 6 Check both pieces with the questions on the Check your work page.



Prefer typing? Scan to open the online workspace.

From gross pay to net pay

The pay period and the Saturday shift

[illegible]

This image shows a single sheet of white paper with horizontal blue ruling lines. The lines are evenly spaced and run across the width of the page. There is no handwriting or other markings on the paper.

Your draft

On your own Write your draft in the boxes, using your planner from the page before. About 30 minutes.

Gia’s payroll question, 50 to 80 words

Hi, I’m checking my pay statement for ____.

Guide: walk through the statement

Guide: keep it private

Check your work

On your own Answer the Check your work questions, mark your level in each rubric row and write one change you made. About 6 minutes.

Does the question name the pay period, the Saturday shift and what Gia wants confirmed?	☐ Yes ☐ No
Does the guide follow \$255.00 gross pay to \$220.99 net pay?	☐ Yes ☐ No
Does it separate FICA from income-tax withholding and cite the IRS?	☐ Yes ☐ No
Does it say the amounts are invented and tell readers what never to post?	☐ Yes ☐ No

How your work is scored

Mark one box in each row.

Skill	Beginning	Developing	Proficient	Advanced
Evidence	☐ No specific numbers.	☐ Mentions hours but no period.	☐ Names hours, period and the line in question.	☐ Cites own records and the statement side by side.
Reasoning	☐ Assumes an error or theft.	☐ Assumes all difference is tax.	☐ Separates hours, deductions and period timing.	☐ Explains which differences are expected and which need checking.
Audience & purpose	☐ Shares private details or demands.	☐ Polite but vague.	☐ Clear question payroll can answer.	☐ Clear, private, and offers the right document.
Revision	☐ No change.	☐ Removes one issue.	☐ Adds period and line, removes private data.	☐ Explains why each change helps payroll respond.

One change I made after feedback

This image shows a single page of white paper with horizontal blue lines, resembling notebook paper. The lines are evenly spaced and run across the width of the page. There is no handwriting or other markings on the paper.

Questions to discuss

On your own Write a short answer to each question, then complete the sentence frames below. About 8 minutes.

- 1 What would Gia's statement need to show for the missing hours to be a payroll mistake?

- 2 Why might a new worker think that every missing dollar went to taxes?

- 3 Before a first job, what would you want to know about how and when you will be paid?

My take

My claim: ____.

The best evidence is ____, because ____.

Someone who disagrees might say ____.

[illegible]

Talk about this case at home

Case 5: Why is my deposit smaller than what I earned?

In this case, Gia's bank deposit is smaller than the pay she expected. Your student read a practice pay statement line by line and explained where the money went.

Questions to talk about

- 1 What is the difference between gross pay and net pay?
- 2 Why might a bank deposit be less than the hours worked times the hourly rate?
- 3 Who at a workplace can answer questions about a pay statement?

Nobody needs to share personal stories or private information to talk about this case.



See the case online.