

Calculating Mike's Pay: Answers to Activity 3.1

Federal Income Tax: \$60

Services include building highways, roads, and bridges; operating the Army, Navy, Marine Corps, and Air Force; providing national parks and the federal courts system, etc.

Payroll Taxes: \$32

Services to retirees, disabled, and unemployed citizens, including job training services.

State Income Tax: \$16

Services related to highways, parks, prisons, courts, universities and state colleges, and services to youth and elderly people.

Burger Barn Pay Record

Employee: Mike Muggles

Wages: \$10 per hour

Hours Worked: 8 hours x 5 days: _____

Gross Income: _____

Federal Income Tax: _____

Social Security and Other Payroll Taxes: _____

State Income Tax: _____

Net Income: _____