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The Pay Stub Guide for Small Stores, 2026

If you run an online store and pay staff or freelancers, a clear pay stub keeps your records tidy and answers questions about pay. This guide shows what a pay stub contains, how net pay and year-to-date totals are worked out, the four pay frequencies, and a checklist before you send a stub.

What a pay stub contains

Part	What goes in it
Business	The business name and address.
Worker	The employee's or contractor's name.
Pay period and pay date	The first and last day worked, and the day the pay was made.
Earnings	Each kind of pay: salary, or hours at a rate, overtime, bonus and tips.
Deductions	Each amount taken off, such as taxes, insurance or retirement.
Net pay	Gross pay minus deductions: the amount the worker receives.
Year to date	The totals so far this calendar year.

For your own records only

A pay stub is a record a business makes for its own books and for the people it pays. Enter only the figures that were really paid. Never use a stub to show income that was not paid: giving a false pay stub to a landlord or a lender can be fraud.

How the figures are worked out

1. **Gross pay** = hours × rate + overtime hours × rate × 1.5 + bonus, tips or commission.
2. **Deductions** = each amount + each percentage × gross pay.
3. **Net pay** = gross pay − deductions.
4. **Year to date** = this stub's pay × pay periods so far this year.

Overtime at 1.5 times the regular rate for hours over 40 in a workweek is the rule of the U.S. Fair Labor Standards Act (dol.gov). The employee rates for Social Security (6.2%) and Medicare (1.45%) are in IRS Publication 15 (irs.gov).

A worked example (fictional)

Jamie Sample, a fictional employee of a fictional candle shop, is paid bi-weekly: 80 hours at $22.50 and 6 overtime hours, paid on November 20, 2026.

Line	This period	Year to date
Regular pay (80 h × $22.50)	$1,800.00	$43,200.00
Overtime (6 h × $33.75)	$202.50	$4,860.00
Gross pay	**$2,002.50**	**$48,060.00**
Federal income tax (10%)	$200.25	$4,806.00
Social Security (6.2%)	$124.16	$2,979.84
Medicare (1.45%)	$29.04	$696.96
Health insurance	$45.00	$1,080.00
Total deductions	**$398.45**	**$9,562.80**
Net pay	**$1,604.05**	**$38,497.20**

Year to date counts 24 bi-weekly pay periods from January 1 to November 20, 2026, each at this stub's pay.

Pay frequencies

Frequency	Paid	Pay periods a year
Weekly	Every week	52
Bi-weekly	Every two weeks	26
Semi-monthly	Twice a month	24
Monthly	Once a month	12

A worker who started partway through the year has fewer periods paid. Count the periods really paid for their year-to-date totals.

Before you send a pay stub

1. Are the business and worker names spelled right?
2. Do the pay period and pay date match the real pay run?
3. Do the hours and the rate match the timesheet?
4. Is every deduction listed by name, with the right amount?
5. Does net pay match the payment that was really made?
6. Do the year-to-date totals match the pay periods really paid?
7. Is a copy saved with your records?

Plan your pay runs

Worker	Frequency	Next pay date	Stub sent

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