

*Let's talk*

**WITHHOLDINGS**

# FEDERAL TAXES



**Federal income tax is automatically deducted from your paycheck**

The amount deducted depends on the federal tax rate as well as how much money you make

# FEDERAL TAXES

Your federal tax dollars go toward things like:



***Unemployment  
Benefits***



***Education***



***Infrastructure***



***National  
Defense***

# FEDERAL TAXES



The amount of tax withheld on your paycheck might be higher or lower than the actual amount of federal tax due to the government, so you may find yourself owing additional funds or getting a refund at tax time

# STATE AND LOCAL TAXES



**Depending on where you live,**  
amounts may also be withheld for  
state and local taxes

# STATE AND LOCAL TAXES

Your state and local tax dollars go toward things like:



***Schools***



***Parks and  
Recreation***



***Public  
Transportation***



***Low-Income  
Assistance***

# FICA



Taxes from the **Federal Insurance Contributions Act (FICA)**

provide support for disability and retirement as help with medical costs for seniors and those on Social Security

# FICA

FICA taxes are used for:



***Social Security***



***Medicare***