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What is a Paycheck Stub?

Components of a paycheck stub and how they are generated.

A paycheck stub is a document containing the details of pay information, along with the total pay amount, typically produced by an employer. When pay is delivered via paper check, the pay stub is usually attached to the check, and when pay is received via direct deposit, the paystub is distributed electronically or on paper, along with the pay notification.

The paycheck stub is essentially a breakdown of the elements that make up an entire paycheck. Each employer has the choice of what to include on their employees' pay stubs, although certain fields are required by state law, in some states. (Requirements vary greatly by state, so check with your state to find out specific requirements for your state.) Elements that may be included: employee identification number, pay rate/salary, work period, vacation/paid leave, social security, Medicare, state and federal withholdings, wage garnishments, 401K deductions, health care expense deductions, employer-paid healthcare expenses, life insurance deductions, gross and net pay, and voluntary contributions such as donations. Most employers do not include employee social security numbers, for security reasons (though it is required in some states).

Paycheck stubs were traditionally printed on a section of paper that was attached to the printed check; hence the word "stub." The employee could then tear off the check to cash it, and keep the stub for their own records. As employers began depositing pay directly into employee bank accounts rather than printing paychecks, commonly known as "direct deposit", the practice of printing a paycheck stub shifted, and was then printed and distributed on a full sheet of paper, or delivered electronically. Then the term for the paycheck stub shifted to "pay advice." These days, may employers take it a step further and choose not to print anything, opting to deliver pay information completely electronically. Many employers now provide employees with an online portal where they can log in securely and view current and prior pay advices anytime, by giving them a web address and login information. This practice is known as "publishing pay advices." An added advantage to publishing pay advices and giving employees online access is that current and prior employers no longer need to request that information from HR; it is available at their fingertips.

CenterPoint Payroll software provides the full range of paycheck stubs, including printed stubs, electronically generated, and the ability for employers to publish pay advices, so employees can access them online. Paycheck stubs in CenterPoint can be completely customized, including which fields to include, and the arrangement of those fields. Employers can even translate pay stubs to other languages, so employees speaking a language other than English are able to understand their paycheck stubs. CenterPoint Payroll is available online, or as a locally installed system.

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