



# Sustainable Economies Law Center

Legal education, research, advice and advocacy for just and resilient economies  
[www.theSELC.org](http://www.theSELC.org)

## How to Prepare Wages Statements and Time Records: A Guide for California Employers

### How to Prepare Wage Statements

California Labor Code Section 226(a) requires employers to give employees wage statements either semimonthly or at the time of each payment of wages. While many employers hire payroll services to prepare wage statements (also commonly known as “pay stubs”), the Sustainable Economies Law Center has observed that many low-income employers forego the expense of payroll services and instead prepare the wage statements themselves. **Such employers should be aware that most store-bought wage statement forms available in office supply stores in California fail to include information required by law.** Some low-income employers have been fined up to \$9,000 for using such forms and for failing to include items of required information on the wage statements as a result.

Wage statements for hourly employees must be written in ink and include the following information (see numbered items on sample wage statement):

- (1) Date of statement
- (2) Gross wages earned
- (3) Total hours worked by employee
- (4) Deductions
- (5) Net wages earned
- (6) Dates included in pay period
- (7) Name of employee
- (8) Last four digits of employee’s social security number or employee identification number
- (9) Name of employer legal entity
- (10) Address of employer legal entity
- (11) Hourly rates in effect during the pay period
- (12) Number of hours employee worked at each hourly rate

We believe that the sample wage statements below are compliant with current DLSE regulations and are designed for (1) hourly employees and (2) piece-rate employees; the wage statement requirements differ slightly for salaried employees. Employers do not need to report the total hours worked for salaried employees who are exempt from overtime payment. Wage statements for piece-rate employees should list the number of piece-rate units earned and all applicable piece rates.

## How to Prepare Time Records

In addition, many California industry wage orders require employers to keep records of the times employees work each day. Time records must show when the employee (1) begins and (2) ends each work period and (3) the total hours the employee works each day. Employers are not required to record meal periods and rest periods if work completely stops during those times, but it is a good idea to (4) record the meal and rest periods that employees take each work day anyway. Following the Wage Statements is a sample time record compliant with current DLSE regulations.

## Maintaining Records

In addition to providing employees with wage statements, employers must **keep copies of the wage statements and other employment records** for at least **three years** at the place of employment.

## Understanding Employers' Other Responsibilities

Employers have many legal responsibilities, in addition to those described here. We recommend that employers take steps to thoroughly learn about such requirements. One helpful resource is *The Employer's Legal Handbook: Manage Your Employees & Workplace Effectively*, by Fred S. Steingold (Nolo 2013). Employers may find additional and/or more up-to-date information on the website of the Department of Industrial Relations (<http://www.dir.ca.gov/DLSE/dlse.html>) and at the website for HR California (<http://www.calchamber.com/hrcalifornia/pages/hrcalifornia.aspx>). Also, we always recommend that employers seek advice from an attorney to ensure that they are in compliance with the law.

### HOURLY WAGE STATEMENT SAMPLE - EXPLAINED

(1) Date of statement	STATEMENT DATE 3/21/14	(6) Dates in pay period
(7) Name of employee	PAY PERIOD STARTING 3/1/14	PAY PERIOD ENDING 3/15/14
(9) Name of employer legal entity	EMPLOYEE NAME WER KER	(8) Last 4 digits of employee social security number
(3) Total hours worked	EMPLOYER NAME OH NER	LAST 4 DIGITS SOCIAL SECURITY NO. 1234
(12) Hours at each rate	EMPLOYER ADDRESS 567 HIGH ROAD, FAIR TOWN, CA 00000	
(11) Hourly rates	(10) Address of employer legal entity	
(2) Gross wages earned	(4) Deductions	
(5) Net wages earned	(1) Deductions	

  

TOTAL HOURS	83	RATE/HOUR	AMOUNT
REGULAR	80	15 00	1200 00
OVERTIME (1.5X)	2	22 50	45 00
OVERTIME (2X)	1	30 00	30 00
<b>GROSS EARNINGS</b>			<b>1275 00</b>
NUMBER OF EXEMPTIONS	1	<b>DEDUCTIONS</b>	
FEDERAL INCOME TAX		53 55	
STATE INCOME TAX			
MEDICARE TAX		18 49	
SOCIAL SECURITY TAX			
INSURANCE		12 75	
CASH ADVANCE			
MERCHANDISE BOUGHT			
BONDS, ETC.			
OTHER:			
<b>TOTAL DEDUCTIONS</b>			<b>84 79</b>
<b>NET EARNINGS THIS PAY PERIOD</b>			<b>1190 21</b>

CASH       CHECK NUMBER: 1000

**BLANK HOURLY WAGE STATEMENT – EMPLOYEE COPY**

STATEMENT DATE		
PAY PERIOD STARTING		PAY PERIOD ENDING
EMPLOYEE NAME		LAST 4 DIGITS SOCIAL SECURITY NO.
EMPLOYER NAME		
EMPLOYER ADDRESS		
<b>TOTAL HOURS</b>	<b>RATE/HOUR</b>	<b>AMOUNT</b>
REGULAR		
OVERTIME (1.5X)		
OVERTIME (2X)		
<b>GROSS EARNINGS</b>		
NUMBER OF EXEMPTIONS <input type="checkbox"/>	<b>DEDUCTIONS</b>	
FEDERAL INCOME TAX		
STATE INCOME TAX		
MEDICARE TAX		
SOCIAL SECURITY TAX		
INSURANCE		
CASH ADVANCE		
MERCHANDISE BOUGHT		
BONDS, ETC.		
OTHER:		
<b>TOTAL DEDUCTIONS</b>		
<b>NET EARNINGS THIS PAY PERIOD</b>		
<input type="checkbox"/> CASH <input type="checkbox"/> CHECK NUMBER:		

**BLANK HOURLY WAGE STATEMENT – EMPLOYER COPY**

STATEMENT DATE		
PAY PERIOD STARTING		PAY PERIOD ENDING
EMPLOYEE NAME		LAST 4 DIGITS SOCIAL SECURITY NO.
EMPLOYER NAME		
EMPLOYER ADDRESS		
<b>TOTAL HOURS</b>	<b>RATE/HOUR</b>	<b>AMOUNT</b>
REGULAR		
OVERTIME (1.5X)		
OVERTIME (2X)		
<b>GROSS EARNINGS</b>		
NUMBER OF EXEMPTIONS <input type="checkbox"/>	<b>DEDUCTIONS</b>	
FEDERAL INCOME TAX		
STATE INCOME TAX		
MEDICARE TAX		
SOCIAL SECURITY TAX		
INSURANCE		
CASH ADVANCE		
MERCHANDISE BOUGHT		
BONDS, ETC.		
OTHER:		
<b>TOTAL DEDUCTIONS</b>		
<b>NET EARNINGS THIS PAY PERIOD</b>		
<input type="checkbox"/> CASH <input type="checkbox"/> CHECK NUMBER:		

**BLANK PIECE RATE WAGE STATEMENT – EMPLOYEE COPY**

STATEMENT DATE	PAY PERIOD BEGIN	PAY PERIOD END
EMPLOYEE NAME	LAST 4 DIGITS OF SOCIAL SECURITY NO.	
EMPLOYER NAME		
EMPLOYER ADDRESS		
<b>TOTAL HOURS</b>	<b>RATE/HOUR</b>	<b>AMOUNT</b>
REGULAR		
OVERTIME (1.5X)		
OVERTIME (2X)		
<b>GROSS HOURLY EARNINGS</b>		
<b>PIECE RATE</b>	<b>NO. OF PIECES</b>	<b>AMOUNT</b>
<b>GROSS PIECE-RATE EARNINGS</b>		
<b>GROSS TOTAL EARNINGS</b>		
NUMBER OF EXEMPTIONS <input type="checkbox"/>	<b>DEDUCTIONS</b>	
FEDERAL INCOME TAX		
STATE INCOME TAX		
MEDICARE TAX		
SOCIAL SECURITY TAX		
INSURANCE		
OTHER:		
<b>TOTAL DEDUCTIONS</b>		
<b>NET EARNINGS THIS PAY PERIOD</b>		
<input type="checkbox"/> CASH <input type="checkbox"/> CHECK NUMBER:		

**BLANK PIECE RATE WAGE STATEMENT – EMPLOYER COPY**

STATEMENT DATE	PAY PERIOD BEGIN	PAY PERIOD END
EMPLOYEE NAME	LAST 4 DIGITS OF SOCIAL SECURITY NO.	
EMPLOYER NAME		
EMPLOYER ADDRESS		
<b>TOTAL HOURS</b>	<b>RATE/HOUR</b>	<b>AMOUNT</b>
REGULAR		
OVERTIME (1.5X)		
OVERTIME (2X)		
<b>GROSS HOURLY EARNINGS</b>		
<b>PIECE RATE</b>	<b>NO. OF PIECES</b>	<b>AMOUNT</b>
<b>GROSS PIECE-RATE EARNINGS</b>		
<b>GROSS TOTAL EARNINGS</b>		
NUMBER OF EXEMPTIONS <input type="checkbox"/>	<b>DEDUCTIONS</b>	
FEDERAL INCOME TAX		
STATE INCOME TAX		
MEDICARE TAX		
SOCIAL SECURITY TAX		
INSURANCE		
OTHER:		
<b>TOTAL DEDUCTIONS</b>		
<b>NET EARNINGS THIS PAY PERIOD</b>		
<input type="checkbox"/> CASH <input type="checkbox"/> CHECK NUMBER:		

(1) Time work period begins

(2) Time work period ends

(4) Meal and rest periods

**WEEKLY TIME RECORD - EXPLAINED**

DATES OF WEEK (SUN-SAT) 3/2/14 - 3/8/14											
EMPLOYEE NAME WER KER									LAST 4 DIGITS SOCIAL SECURITY NO. 1234		
EMPLOYER NAME OH NER											
EMPLOYER ADDRESS 567 HIGH ROAD, FAIR TOWN, CA 00000											
DAY	TIME IN	TIME OUT	TIME IN	TIME OUT	TIME IN	TIME OUT	MEAL TIME(S)	# REST PERIODS	REGULAR HOURS	(OVERTIME (1.5X))	(OVERTIME (2X))
SUN											
MON	8:00	12:00	12:30	4:30			1, 30 min	2, 10 min	8		
TUE	8:00	12:00	12:30	4:30	5:00	8:00	2, 30 min	3, 10 min	8	2	1
WED	8:00	12:00	12:30	4:30			1, 30 min	2, 10 min	8		
THU	8:00	12:00	12:30	4:30			1, 30 min	2, 10 min	8		
FRI	8:00	12:00	12:30	4:30			1, 30 min	2, 10 min	8		
SAT											
<b>TOTAL HOURS</b>									<b>40</b>	<b>2</b>	<b>1</b>
EMPLOYEE SIGNATURE WER KER						DATE 3/7/14					

(3) Hours worked each day

**BLANK WEEKLY TIME RECORD**

DATES OF WEEK (SUN-SAT)											
EMPLOYEE NAME									LAST 4 DIGITS SOCIAL SECURITY NO.		
EMPLOYER NAME											
EMPLOYER ADDRESS											
DAY	TIME IN	TIME OUT	TIME IN	TIME OUT	TIME IN	TIME OUT	MEAL TIME(S)	# REST PERIODS	REGULAR HOURS	OVERTIME (1.5X)	OVERTIME (2X)
SUN											
MON											
TUE											
WED											
THU											
FRI											
SAT											
<b>TOTAL HOURS</b>											
EMPLOYEE SIGNATURE						DATE					

**BLANK WEEKLY TIME RECORD**

DATES OF WEEK (SUN-SAT):											
EMPLOYEE NAME									LAST 4 DIGITS SOCIAL SECURITY NO.		
EMPLOYER NAME											
EMPLOYER ADDRESS											
DAY	TIME IN	TIME OUT	TIME IN	TIME OUT	TIME IN	TIME OUT	MEAL TIME(S)	# REST PERIODS	REGULAR HOURS	OVERTIME (1 ½X)	OVERTIME (2X)
SUN											
MON											
TUE											
WED											
THU											
FRI											
SAT											
<b>TOTAL HOURS</b>											
EMPLOYEE SIGNATURE						DATE					