

Many members have inquired about a large deduction amount under the “MISC” category on their recent paycheck that included the \$686 COLA cash-out payment. The reason is that the usual tax deductions were taken out separately for regular pay and the COLA payment, with the COLA deductions included in the MISC category.

Ordinarily, the pay stub shows the normal deductions—such as federal tax, state tax, Medicare, health plan, dental, vision, TSP, and retirement. This recent stub also should include four deductions for the \$686 COLA payment—federal and state tax, Medicare, and Social Security. Carriers with a pay amount under FLSA would have these four categories repeated a third time.

Because of limited space, there is not enough room for so many deductions to be listed separately on the pay stub. All the deductions that do not fit on the pay stub are grouped under MISC, resulting in the large deduction total. For instance, it has been common for the Social Security, Medicare, and federal taxes on the \$686 COLA payment to be bumped into the MISC category. If there is a question about the total, the only way to check each deduction individually is to refer to the pay journal, which shows all deductions and does not group any together. Letter carriers who wish to review their pay journals should request copies from their station manager.