

The "My Boss Forgot" Overtime Calculator

Official Documentation of the TaxStache Team

The Problem: The new **OBBBA law** says you can deduct your overtime pay. But your W-2 **Box 19** (where this number is supposed to be) is blank because your company's payroll software is older than the concept of streaming video.

The Solution: Don't panic. The law anticipated this chaos. For 2025 returns, you are allowed to use a **"reasonable method"** to calculate this yourself.

This worksheet is your "reasonable method." Fill it out. Staple your paystubs to it. Save it forever.

Step 1: The Scavenger Hunt

Grab your final paystub from **December 2025**. Most employers list "YTD Overtime" (Year-to-Date) on that single slip.

- **If you found it:** Write that number in the **"Grand Total"** box below. You are done. Go get a snack.
- **If you didn't find it:** You have to do it the hard way. Grab your monthly paystubs and fill out the grid below.

Step 2: The Math (Sorry)

Month	Regular Hourly Rate (\$)	Overtime Rate (\$) (Usually 1.5x Regular)	OT Hours Worked	Total OT Pay (\$) (Rate x Hours)
January	\$_____	\$_____	_____	\$_____
February	\$_____	\$_____	_____	\$_____

March	\$ _____	\$ _____	_____	\$ _____
April	\$ _____	\$ _____	_____	\$ _____
May	\$ _____	\$ _____	_____	\$ _____
June	\$ _____	\$ _____	_____	\$ _____
July	\$ _____	\$ _____	_____	\$ _____
August	\$ _____	\$ _____	_____	\$ _____
September	\$ _____	\$ _____	_____	\$ _____
October	\$ _____	\$ _____	_____	\$ _____
November	\$ _____	\$ _____	_____	\$ _____
December	\$ _____	\$ _____	_____	\$ _____

Step 3: The Grand Total

Add up the "Total OT Pay" column.

\$ _____

(This is your "Qualified Overtime Compensation")

Before you claim this massive deduction, check the rules:

1. **The Cap:** You can only deduct up to **\$12,500** (single) or **\$25,000** (married filing jointly). *If your grand total is higher than the cap, just write the cap amount on your tax return.*
2. **The Phaseout:** Did you make over **\$150,000** (single) or **\$300,000** (married)? *If yes, your deduction shrinks. Sorry. Being successful has its downsides.*

Too Much Math?

If looking at this grid makes you want to lie down on the floor, stop. You don't have to be a forensic accountant to get your money back.

TaxQuotes connects you with pros who eat spreadsheets like this for breakfast. They can look at your paystubs, calculate your deduction, and file the return for you, ensuring you don't accidentally claim too much (or too little).

[Get Help at [TaxQuotes.com](https://www.taxquotes.com)]

Disclaimer: This worksheet is for educational purposes and for proving to your spouse that you really were working late last November. TaxStache is not a law firm. Keep your original paystubs.

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Why Your Overtime Might Be Tax-Free

TL;DR: Working extra hours usually just pushes you into a higher tax bracket and costs you more. The new 2025 law lets you deduct up to \$25,000 of that overtime pay, essentially making it invisible to the IRS.

We have a theory that the tax code is designed to be boring so you stop reading before you find the free money. Well, we kept reading. And we found something huge.

For years, the reward for grinding out a 60-hour week was a bigger tax bill. The more you worked, the more Uncle Sam took. It felt like a punishment for hustle.

The game has changed.

Buried deep in the **One Big Beautiful Bill Act (OBBBA)** is a provision that turns your burnout into a tax break. Starting with your 2025 tax return (the one you are filing now), you can deduct **Qualified Overtime Compensation** from your taxable income.

This isn't pocket change.

- **Single Filers:** Deduct up to **\$12,500**.
- **Married Couples:** Deduct up to **\$25,000**.

If you are an hourly worker who gets paid time-and-a-half, this money is now yours to keep. The IRS doesn't get a cut.

Because this law is brand new, payroll departments are messing it up. Your *W-2 should* have this number listed in **Box 19**.

If Box 19 is blank, **do not panic**. The law anticipated that your company might be running payroll software from 1998. You are allowed to calculate this yourself using "any reasonable method."

Your Move:

1. **Check your W-2.** If Box 19 has a number, you win. Enter it and take the deduction.
2. **If it's blank, find your December 2025 paystub.** Look for "Year-to-Date Overtime."
3. **No paystub?** Dig up your time logs. Every hour of overtime you prove is money back in your pocket.

Don't let them tax you on the time you missed with your family. Go get your rebate.

P.S. Math not your strong suit? Download our Overtime Calculator Worksheet to figure out your number without a headache. Or give our friends at TaxQuotes a call.