## The Lottery Wage Drain

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You Must Earn  (*1.2)	
Tax Event 1 Taxes removed from wages \$13.82	100%
Social Security  \$0.86  Medicare  \$0.20  To Purchase \$10 in Lottery Tickets	
Federal \$2.07 State \$0.69 \$10.00	72.4%
Tax Event 2 The lottery takes their cut  15% to retailers;  \$1.50 marketing; operations  25% to states for their services \$2.50  Available for the Winner  \$6.00	43.4%
Winnings are taxed  5% estimated state tax (actual could range from 0 - 13.5%)  39.6% 2013 federal tax (adjusted for state tax credit)  After Tax Winnings  \$3.44	24.9%

Net Result: Over \$10.00 of your initial \$13.82 wages go to fees and taxes when you play the lottery