



2025 TAX LAW CHANGES OBBBA

PAYROLL COMPLIANCE CHANGES AND PAYSLIP ENHANCEMENTS

One Big Beautiful Bill Act (OBBBA)

As part of OBBBA, you may see new earning categories on your payslip identifying qualifying overtime for federal income tax deduction purposes. These updates support year-end tax reporting and do not affect your pay.

New Overtime and Double-Time Display

The straight-time portion of overtime and double time will be separated from half-time portion of overtime (0.5x) and the additional straight-time portion of double-time (1.0x) on your payslip starting in mid-August.

Payslip Layout Enhancements

Enhanced payslip layout improves clarity, showing taxable wages, work location, corporate address, and accrual balances more clearly.

Display change has no impact on your earnings

PAYSLIP ENHANCEMENTS

**Display change has no
impact on your earnings**



Employee Base Rate Added



Year-to-Date (YTD) Hours Column Added in Earnings Section



Taxable Wages Section Added



Time-Off and Accrual Balances Section Added



Employer-Paid Taxable Benefits separated from Non-Taxable Employer-Paid Benefits



Withholding Election section updated to reflect the new Form W-4

- Straight-time portion (1.0x) included in **Regular** wages
- Half-time portion (0.5x) included in **OT Premium 0.5**

- Straight-time portion (1.0x) included in **Regular** wages.
- Additional straight-time portion (1.0x) included in **DT Premium 1.0**

- Example of differential pay: Shift, Lead, Trainer, Hitching
- Differential pay will display as two components
 - Straight-time portion (1.0x) displays as a separate line item
 - Half-time portion (0.5x) included in **OT Premium 0.5** **OR**
 - Additional straight-time portion (1.0x) included in **DT Premium 1.0**

A hand is shown flipping a white tile that currently displays 'DAY' on its top face and 'NIGHT' on its bottom face. The tile is part of a row of six white tiles that together spell out 'SHIFT'. The other tiles are 'S', 'H', 'I', 'F', and 'T'. The tiles are resting on a dark surface. A red rectangular box is overlaid on the bottom left of the image, containing the word 'ings' in white text.

Enhanced Payslip Display Example

Current Display

Earnings				
Description	Dates	Rate	Hours	Amount
Regular	05/04/2026 - 05/10/2026	\$25.00	40.0000	\$1,000.00
Shift Diff	05/04/2026 - 05/10/2026	\$1.00	40.0000	\$40.00
Overtime	05/04/2026 - 05/10/2026	\$37.50	15.0000	\$562.50
Shift Diff Overtime	05/04/2026 - 05/10/2026	\$1.50	15.0000	\$22.50
Double Time	05/04/2026 - 05/10/2026	\$50.00	5.0000	\$250.00
Shift Diff Double Time	05/04/2026 - 05/10/2026	\$2.00	5.0000	\$10.00
Total Earnings				\$1,885.00

New Display (Coming in Mid-August)

	Earnings				
	Description	Dates	Rate	Hours	Amount
A	Regular	05/04/2026 - 05/10/2026	\$25.00	60.0000	\$1,500.00
B	Shift Diff	05/04/2026 - 05/10/2026	\$1.00	60.0000	\$60.00
C	OT Premium 0.5	05/04/2026 - 05/10/2026	\$13.00	15.0000	\$195.00
D	DT Premium 1.0	05/04/2026 - 05/10/2026	\$26.00	5.0000	\$130.00
	Total Earnings				\$1,885.00

Display change has no impact on your earnings

Worked Hours

Regular Hours	40
Overtime Hours	15
Double Time Hours	5
Total Hours	60

Rates

Base Rate	\$25.00
Half-Time Rate	\$12.50
Differential Rate	\$1.00
Half-Time Shift Rate	\$0.50

Earnings Breakdown

A Regular Pay (Total Worked Hours x Base Rate)

- $40 * \$25.00 = \$1,000.00$ (Regular)
- $15 * \$25.00 = \375.00 (Straight-time OT)
- $5 * \$25.00 = \125.00 (Straight-time DT)

B Differential Pay (Total Worked Hours x Base Rate)

- $40 * \$1.00 = \40.00 (Regular differential)
- $15 * \$1.00 = \15.00 (Straight-time differential OT)
- $5 * \$1.00 = \5.00 (Straight-time differential DT)

C OT Premium (Overtime Hours x Half Time Rate or 0.5)

- $15 * \$12.50 = \187.50 (Half-time OT)
- $15 * \$0.50 = \7.50 (Half-time differential OT)

D DT Premium (Double Time Hours x Add'l Straight Time Rate or 1.0)

- $5 * \$25.00 = \125.00 (Add'l straight-time DT)
- $5 * \$1.00 = \5.00 (Add'l straight-time differential DT)

Payslip Display Changes

- ① New **Rate** field will display the hourly rate for non-exempt employees and the biweekly salary rate for exempt employees.
- ② New **Year-To-Date Hours** (if applicable)
- ③ New **Taxable Wages**
- ④ New **Employer Paid Taxable Benefits** section separating Taxable and Non-Taxable benefits
- ⑤ Updated **Withholding Elections** section aligned with the revised Form W-4.
- ⑥ New **Accrual Plan** section to display time-off balances for non-exempt employees; this section remain blank for exempt employees as they participate in Permissive Time.

Display change has no impact on your earnings



Wabtec

CORPORATION

Wabtec Corporation

30 Isabella Street, Pittsburgh, PA 15212 (412) 825-1000

Kansas City, MO 64136

Work Location: Kansas City - MO - USA (Pomona Avenue)

Name	Company	Employee ID	Pay Period Begin	Pay Period End	Check Date
	Wabtec US Rail, Inc.		05/04/2026	05/10/2026	05/15/2026

	1	Rate	Hours Worked	Gross Pay	Pre Tax Deductions	Post Tax Deductions	Employee Taxes	Net Pay
Current		29.50	61.00	2,417.78	137.50	32.37	291.87	1,956.04
YTD			1,005.47	37,500.68	2,871.88	1,525.64	4,385.24	28,717.94

Earnings							
Description	Dates	Rate	Hours	Amount	2	YTD Hours	YTD
DT Prem 1.0	05/04/2026 05/10/2026	29.5000	4.9167	145.05		4.9167	145.05
Double Time						42.0166	2,468.38
Float Holiday	05/04/2026 05/10/2026	29.5000	8.0000	236.00		8.0000	236.00
Holiday						32.0000	879.20
OT Prem 0.5	05/04/2026 05/10/2026	14.7500	16.0833	237.23		16.0833	237.23
Overtime						232.1832	10,216.01
Personal						24.0000	708.00
Regular	05/04/2026 05/10/2026	29.5000	61.0000	1,799.50		61.0000	1,799.50
Regular						670.2666	19,878.51
Vacation						38.4000	1,132.80
Total Earnings				2,417.78			37,500.68

Employee Taxes			3 Taxable Wages		
Description	Amount	YTD	Description	Amount	YTD
OASDI	145.93	2,245.60	OASDI - Taxable Wages	2,353.71	36,219.28
Medicare	34.13	525.18	Medicare - Taxable Wages	2,353.71	36,219.28
State Tax - MO	89.00	1,268.00	Federal Withholding - Taxable Wages	2,281.17	34,646.62
City Tax - KC	22.81	346.46	State Tax Taxable Wages - MO	2,281.17	34,646.62
Total Employee Taxes	291.87	4,385.24	City Tax Taxable Wages - KC	2,281.17	34,646.62

Pre Tax Deductions			Post Tax Deductions		
Description	Amount	YTD	Description	Amount	YTD
Dental	3.63	72.60	401k Post-Tax		447.61
DFSA	5.00	100.00	401K ROTH		447.61
401k	72.54	1,572.68	AD&D	4.04	78.76
Medical	52.56	1,051.20	Supplemental Life	1.57	31.40
Vision	3.77	75.40	Accident Insurance	2.84	53.96
Total Pre Tax Deductions	137.50	2,871.88	IBEW1464 Union Dues	20.75	404.90
			Legal Benefit	3.17	63.40
			Total Post Tax Deductions	32.37	1,525.64

Employer Paid Benefits			4 Employer Paid Taxable Benefits		
Description	Amount	YTD	Description	Amount	YTD
Medical ER	150.62	3,012.40	Group Term Life Insurance	0.89	17.80
401K COMPANY MATCH	72.54	1,125.11			
Total Employer Paid Benefits	223.16	4,137.51	Total Employer Paid Taxable Benefits	0.89	17.80

5 Withholding Elections			6 Accrual Plan			
Description	Federal	State	Description	Accrued	Taken	Balance
Marital Status	Single or Married filing separately	Single or Married Spouse Works or Married Filing Separate	Floating Holiday	24	0	24
			Personal	24	4	20
			Vacation	80	0	80
Allowances	0	0				
Extra Withholding	0	0				
Dependent Amount	0.00					