

Payroll error correction email template

Own a payroll mistake, explain the fix, and tell the employee exactly when they will be made whole.

Updated October 15, 2026. Written and reviewed by the HRTally Research Team.

When to use this template

Payroll errors happen even in well-run teams: a missed overtime hour, a wrong tax setup, a late direct deposit. What employees remember is how quickly and honestly you fixed it. A short, specific apology with a clear fix and a date builds more trust than an error-free year.

For underpayments, pay the difference as soon as possible, often in an off-cycle payment rather than waiting for the next payday. For overpayments, be careful. Recovery is restricted by federal and state law, so agree on a plan with the employee rather than simply deducting it. Our payroll guide covers how to prevent common errors.

Version 1: Underpayment

SUBJECT Correction to your [Pay date] paycheck

Hi [Employee first name],

We made an error on your paycheck dated [Pay date], and I'm sorry. [Plain description, such as your overtime hours from the week of Date weren't included].

The amount owed is \$[Gross amount] before taxes. We will pay it [by direct deposit on Date / in an off-cycle payment on Date]. You will receive a separate pay statement showing the correction.

We have [what you changed to prevent it happening again].

If you were charged any bank fees because of this, let me know and we will reimburse them.

[Payroll or HR contact]

[Phone]

Version 2: Overpayment

SUBJECT About an overpayment on your [Pay date] paycheck

Hi [Employee first name],

We found an error on your paycheck dated [Pay date]. You were paid \$[Amount] more than you should

have been because [reason]. This was our mistake, not yours.

We would like to agree on a way to correct it that works for you. Options include:

- Repaying the net amount in one payment
- A small deduction over [Number] paychecks, with your written authorization

Please reply by [Date] or call me at [Phone] so we can talk it through. We won't make any deduction without discussing it with you first.

[Payroll or HR contact]

Subject lines to try

- Correction to your [Pay date] paycheck
- About an overpayment on your [Pay date] paycheck
- We made a payroll error, and here's the fix
- Your missing pay will be deposited on [Date]
- Payroll correction details

How to personalize it

- Apologize once, plainly.
- Give the exact amount and the payment date.
- Offer to cover bank fees caused by a late or short payment.
- Explain what you changed to prevent a repeat.

Mistakes to avoid

- Waiting until the next regular payday to fix an underpayment.
- Deducting overpayments without written authorization where required.
- Blaming the employee or the software vendor.
- Using technical payroll terms without explanation.

Legal and compliance notes

Under the FLSA, deductions to recover an overpayment can't reduce a nonexempt employee's pay below the minimum wage or cut into required overtime. Many states go further: some require written authorization for any deduction, and some limit the amount per paycheck. Several states set deadlines and penalties for paying wages owed. Overpayments that span calendar years can also require tax corrections on Form W-2c. Check your state's rules before recovering money.

| When to send it

The same day you discover the error. For underpayments, pay within a few days with an off-cycle check. For overpayments, contact the employee before the next payroll runs.

| Before you hit send

- Payroll has checked every number in the email against the system.
- The effective date leaves enough time before the payroll cutoff.
- State notice rules for pay changes were checked for each affected state.
- The email doesn't mention anyone else's pay.
- Tax treatment, such as supplemental withholding, is explained in plain words.

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