# <u>Shumaker</u>

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## Client Alert: Florida Minimum Wage to Increase in 2018

The Florida Department of Economic Opportunity announced that, effective January 1, 2018, Florida's minimum wage will increase from \$8.10 per hour to \$8.25. Employers may pay their properly tipped employees a lower rate of \$5.25 per hour, but the tipped employee must earn enough in tips to make up the difference. These changes should not come as much of a surprise to Florida employers, who have grown accustomed to changes in the state's minimum wage. Unlike the federal minimum wage, which has remained static for many years, Florida's minimum wage is subject to change on an annual basis.

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In addition to having to adjust the minimum wages of their employees, Florida employers will also be required, as always, to post a minimum wage notice in a conspicuous and accessible place in each location where employees perform minimum wage work. The 2018 minimum wage notice can be found here. Employers taking a tip credit against their tipped employees' wages are required, as always, to provide their tipped employees with notice: (1) of the amount of cash wages the employer is paying the tipped employee; (2) of the amount claimed by the employer as a tip credit; (3) that the tip credit cannot exceed the amount of tips actually received; (4) that all tips received by the employee are to be retained by the employee except where the employee participates in a valid tip pool; and (5) that the tip credit will not apply to any tipped employee unless the employee has been informed of these provisions.

As January 1, 2018 quickly approaches, Florida employers should begin preparing now to pay their nonexempt employees at Florida's increased minimum wage. Should you have any questions regarding Florida's minimum wage or your employees' exempt status, we are happy to assist.

