



Meltzer, Lippe, Goldstein & Breitstone, LLP

December 28, 2023

LABOR & EMPLOYMENT PRACTICE GROUP

Meltzer Lippe is home to a large, experienced Labor and Employment Law Practice Group.

We are an integral component to the human resource chain and the first stop before taking action that impacts the employee – employer relationship.

Exclusively representing management, our attorneys are indispensable advisors to senior executives and the HR team. While some business owners and companies rely on our experience and depth to supplement in-house general counsel expertise, others lean on us to resolve their labor disruptions or employ our tenacity in collective bargaining.

LOCATIONS

Long Island

190 Willis Avenue
Mineola, NY 11501
516.774.0300

New York City

70 East 55th Street
New York, NY 10022
212.201.1720

Boca Raton

2500 N Military Trail
Boca Raton, FL 33431
561.989.1605

THE NEW YORK STATE DEPARTMENT OF LABOR FINALIZED CHANGES TO THE TIP CREDIT & EXEMPT EMPLOYEE SALARY THRESHOLDS FOR 2024

On December 27, 2023, the New York State Department of Labor finalized new rates for the tip credit and exempt employee salary thresholds as well as rates for meal credits and uniform maintenance pay. As such, employers should act quickly to ensure their pay practices reflect these changes, which will become effective on January 1, 2024. The new “tip credit” rates are outlined below:

Food Service Workers (New York City, Westchester, Long Island)

- Minimum wage = \$16 per hour
- Cash Wage = \$10.65 per hour
- Overtime Cash Wage = \$18.65 per hour
- Tip Credit = \$5.35 per hour

Food Service Workers (rest of New York)

- Minimum Wage = \$15 per hour
- Cash Wage = \$10 per hour
- Overtime Cash Wage = \$17.50 per hour
- Tip Credit = \$5 per hour

Service Employees (other than Food Service) (New York City, Westchester, Long Island)

- Minimum Wage = \$16 per hour
- Cash Wage = \$13.35 per hour
- Overtime Cash Wage = \$21.35
- Tip Credit = \$2.65 per hour

Service Employees (other than Food Service) (rest of New York)

- Minimum Wage = \$15 per hour
- Cash Wage = \$12.50 per hour
- Overtime Cash Wage = \$20 per hour
- Tip Credit = \$2.50 per hour

The new **exempt employee salary thresholds** are as follows:

- New York City, Long Island, and Westchester: \$1,200/week (\$62,400/year); and
- The remainder for New York: \$1,125/week (\$58,500/year).

In addition to ensuring the pay practices comply with these new regulations, employers should prepare new Wage Notices that accurately reflect the new minimum wage, tip credit, meal credit and uniform maintenance pay where applicable. Finally, employers should review their payroll to ensure their “exempt” employee salaries meet these new thresholds. Please note that satisfying the salary threshold is only one part in determining whether an employee is properly classified as “exempt” from the overtime requirements.

Given the nuances of determining whether an employee should be classified as “exempt” from overtime, employers should speak with experienced employment attorneys. Employers with questions relative to the foregoing are encouraged to reach out to your Meltzer Lippe advisor or contact Nicholas P. Melito at Meltzer, Lippe, Goldstein & Breitstone, LLP.

©2023 Meltzer, Lippe, Goldstein & Breitstone, LLP. This material is provided for informational purposes only. It is not intended to constitute legal advice nor does it create a client-lawyer relationship between Meltzer, Lippe, Goldstein & Breitstone, LLP and any recipient. Recipients should consult with counsel before taking any actions based on the information contained within this material. This material may be considered attorney advertising in some jurisdictions.