## SEYFARTH SHAW



## **New York Extends Wage Deduction Rules**

By Robert S. Whitman and Howard M. Wexler

Seyfarth Synopsis: New York's expanded list of permissible wage deductions has been extended until 2020.

Here's a welcome development for New York employers for the New Year: the Labor Law provision that expanded the permissible grounds for deductions from employees' wages has been extended through November 2020.

As we reported <u>previously</u>, those provision expired on November 6, 2018. Although both houses of the Legislature passed a bill in June 2018 to extend the law, Governor Andrew Cuomo did not sign it until December 2018. In lieu of making the provisions permanent, however, the <u>new enactment</u> simply extends the expiration date until November 2020, eight years following the law's initial effective date in November 2012. The amendment was first set to expire in 2015 until Governor Cuomo signed a bill extending the expiration date to November 6, 2018.

The provisions appear in section 193 of the Labor Law. That section was amended in 2012 to allow deductions from wages for employees' gym membership dues, discounted parking or mass transit passes, cafeteria and vending machine purchases at an employer's place of business, tuition fees for pre-school through post-secondary school, and daycare, before-school and after-school care expenses, among other categories. Most notable were the new provisions allowing deductions for recovery of overpayments of wages and for repayment of wage advances.

If you would like further information, please contact <u>Robert S. Whitman</u> at <u>rwhitman@seyfarth.com</u>, or <u>Howard M. Wexler</u> at <u>hwexler@seyfarth.com</u>.

## www.seyfarth.com

Attorney Advertising. This One Minute Memo is a periodical publication of Seyfarth Shaw LLP and should not be construed as legal advice or a legal opinion on any specific facts or circumstances. The contents are intended for general information purposes only, and you are urged to consult a lawyer concerning your own situation and any specific legal questions you may have. Any tax information or written tax advice contained herein (including any attachments) is not intended to be and cannot be used by any taxpayer for the purpose of avoiding tax penalties that may be imposed on the taxpayer. (The foregoing legend has been affixed pursuant to U.S. Treasury Regulations governing tax practice.)

## Seyfarth Shaw LLP One Minute Memo® | January 4, 2019

©2019 Seyfarth Shaw LLP. All rights reserved. "Seyfarth Shaw" refers to Seyfarth Shaw LLP (an Illinois limited liability partnership). Prior results do not guarantee a similar outcome.