

# One Minute Memo®



## Happy New Year? 2018 Brings New Minimum Wage & Exempt Thresholds for New York Employers

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**Seyfarth Synopsis:** New York employers are facing a host of changes in 2018, including an increase to the minimum salary amounts for exempt status and increases in the minimum wage.

If employers in New York did not have enough on their minds this holiday season – with the rollout of [Paid Family Leave](#) across the state, the [New York City Fair Workweek Law](#), changes to the [New York City Earned Sick Time Act](#) and proposed rules requiring pay for [on-call scheduling practices](#) – both the minimum wage and salary threshold for exempt employees are scheduled to increase on December 31, 2017.

### Minimum Wage

The minimum wage increase is part of the “tiered” minimum wage structure that was signed into law last year and aimed at bringing the minimum wage across the state to \$15 per hour. The increase is dependent on where employees work and on the size of the employer, as follows:

Size/Location of Employer	Minimum Wage as of December 31, 2017
New York City, 11 or more employees	\$13.00
New York City, 10 or fewer employees	\$12.00
Nassau, Suffolk, and Westchester counties, regardless of size of employer	\$11.00
Remainder of state, regardless of size of employer	\$10.40

Along with the increase to the minimum wage, the amounts employers can deduct from employees’ wages for items such as tip credits, uniform allowances and meals is also set to change on December 31. The Department of Labor has summarized the revisions applicable to [hospitality employers](#), employers in [“miscellaneous industries,”](#) and employers in the [“building service industry”](#). Employers should consult these summaries to determine how much they can deduct for a uniform allowance and claim as a meal, lodging and tip credits.

## Salary Threshold for Exempt Employees

In keeping with the gradual increase in the State's minimum wage levels, the new tiered salary thresholds across the state, effective December 31, 2017, are now:

Size/Location of Employer	Salary Threshold as of December 31, 2017
New York City, 11 or more employees	\$975.00 per week
New York City, 10 or fewer employees	\$900.00 per week
Nassau, Suffolk, and Westchester counties, regardless of size of employer	\$825.00 per week
Remainder of state, regardless of size of employer	\$780.00 per week

## Conclusion

Employers in New York should be on "high alert" given these recent changes to the minimum wage, permissible wage deductions/credits, and salary thresholds for exempt employees on top of the host of other changes in store for 2018.

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