

Server Overtime Rates

Employers are allowed to claim tip credits against the minimum wage, provided that the server claims the difference between the cash wage paid and the minimum wage in tips. Employers must inform employees of the minimum wage, the tip credit claimed against the minimum wage and the employee's actual cash wage.

Servers working up to 40 hours per week must be paid a minimum cash wage of at least \$6.75 per hour.

Further, the Federal tip credit must apply to **all** hours worked during the week, not just the overtime hours.

Whatever tip credit gets claimed in the first 40 hours is the same tip credit applied to minimum wage.
Min wage (x 1.5) – tip credit claimed for first 40 hours