

CLIENT ALERT: Minimum Wage Increases in Massachusetts (and elsewhere)

Effective January 1, 2023, the minimum wage in Massachusetts increased to \$15.00 per hour. The new service rate (applied to workers who provide services to customers and who make more than \$20.00 per month in tips) is \$6.75 per hour provided that their tips bring them up to at least \$15.00 per hour. If the total hourly rate for an employee including tips does not equal \$15.00 per hour at the end of their shift, the employer must make up the difference in pay. This is the last increase in a schedule of minimum wage and service rate increases that began in 2019 and were designed to bring the Commonwealth's minimum wage rate up to \$15.00 per hour. Sunday and premium pay ended effective January 1, 2023, as a compromise for raising the state's minimum wage.

Minimum wage increases have become a hot button issue in recent years. Other states have followed suit and implemented their own minimum wage increases. For more information about each state's current minimum wage, employers can check the Department of Labor's website at <https://www.dol.gov/agencies/whd/minimum-wage/state>.

If you have any questions about these pay increases in Massachusetts (or any of the other states), please contact your MBJ attorney.

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This alert was prepared on January 11, 2023.

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