

National Restaurant Association Update: New Federal Regulations for Employers with Tipped Employees

VERSION A: NOTICE TO TIPPED EMPLOYEES WHERE THERE IS NO EMPLOYER- REQUIRED TIP POOL

The U.S. Department of Labor recently amended its tip credit notice regulations, effective May 5, 2011, to require employers to inform tipped employees of certain tip credit information. We are informing you of the following as a result of this new requirement:

- The amount of cash wage to be paid to you per hour will be \$ [fill in hourly cash wage amount here].
- Assuming you have received a sufficient amount of tips to cover the tip credit, the amount of your tips per hour to be credited as wages will be \$ [fill in hourly tip credit amount here].
- You have the right to retain all the tips you receive, except for a valid tip pooling arrangement limited to employees who customarily and regularly receive tips.
- The tip credit shall not apply unless you have been informed of these requirements.

You are being provided this information in accordance with Section 203 (m) of the Fair Labor Standards Act. Please sign and date this notice indicating that you understand it, and return it to _____. Contact _____ at _____ if you have any questions.

Thank you.

Employee's Name (Print)

Employee's Signature

(Date)

National Restaurant Association Update: New Federal Regulations for Employers with Tipped Employees

VERSION B: NOTICE TO TIPPED EMPLOYEES PARTICIPATING IN AN EMPLOYER-REQUIRED TIP POOL

The U.S. Department of Labor recently amended its tip credit notice regulations, effective May 5, 2011, to require employers to inform tipped employees of certain tip credit information. We are informing you of the following as a result of this new requirement:

- The amount of cash wage to be paid to you per hour will be \$ [fill in hourly cash wage amount here].
- Assuming you have received a sufficient amount of tips to cover the tip credit, the amount of your tips per hour to be credited as wages will be \$ [fill in hourly tip credit amount here].
- You have the right to retain all the tips you receive, except for a valid tip pooling arrangement limited to employees who customarily and regularly receive tips. Your required tip-pool contribution or percentage is [fill in required tip-pool contribution amount/percentage here]. The tip credit being taken is only on the amount you actually receive and your tips will otherwise not be retained except for your contribution to the tip pool.
- The tip credit shall not apply unless you have been informed of these requirements.

You are being provided this information in accordance with Section 203 (m) of the Fair Labor Standards Act. Please sign and date this notice indicating that you understand it, and return it to _____. Contact _____ at _____ if you have any questions.

Thank you.

Employee's Name (Print)

Employee's Signature

(Date)