

**APRIL 2009**

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## **MINIMUM WAGE TO INCREASE JULY 24, 2009**

The federal minimum wage will increase to \$7.25 per hour beginning July 24, 2009. This is an increase of 70 cents an hour over the current federal minimum wage of \$6.55 an hour. This is the last of 3 scheduled minimum wage increases that began in July of 2007.

For tipped employees (i.e., servers in restaurants that routinely receive tips), employers can deduct a "tip credit" of \$3.02 per hour from their employees' minimum wage, provided the tipped employee retains all tips and regularly receives more than \$30 in tips a month. Until July 24, 2009, with the federal minimum wage at \$6.55 an hour, tipped employees must be paid at least \$3.53 an hour [\$6.55 minimum wage minus the \$3.02 tip credit]. When the minimum wage increases to \$7.25 on July 24, 2009, tipped employees will have to be paid at least \$4.23 an hour [\$7.25 minimum wage minus the \$3.02 tip credit].

Please keep in mind that if an employee's tips combined with the employer's cash wage of at least \$3.53 per hour [or \$4.23 an hour effective July 24th] do not equal the minimum hourly wage, the employer is responsible for making up the difference.

Louisiana employers are required to post the federal minimum wage poster that was revised in June 2007. As a benefit of your LSBA membership, we sent you this updated panel in July 2007. If you joined the association after this date, this updated poster was included in your "All-in-One" labor law poster that we sent you in your new member kit.

As part of our member services, LSBA makes sure you are up-to-date on all new employment posting requirements (both state and federal) so that you do not have to pay outrageous prices for these posters. **Every LSBA member who renews their membership in 2009 will receive a brand new all-in-one poster.**

## **DOES LOUISIANA HAVE A WORKERS' COMP INSURANCE POSTING REQUIREMENT?**

If an employee is injured on the job and the employer has the workers' comp poster posted, the employee must report the injury within 30 days to be eligible for workers' compensation benefits; however if the employer does not have the workers' compensation poster posted, the employee has a window of 12 months to report the injury.

The required poster is included in the new "All in One Labor Poster" we will be providing to all renewing members. However, if you need additional copies, it can be downloaded from the LA Workforce Commission Website at: [http://www.laworks.net/WorkersComp/OWC\\_EmployerMenu.asp](http://www.laworks.net/WorkersComp/OWC_EmployerMenu.asp).

## **WHAT DOES THE FAIR LABOR STANDARDS ACT REQUIRE?**

**The Fair Labor Standards Act requires employers to:**

- Pay employees at least minimum wage;
- Pay employees for all overtime worked; and
- Keep certain records

**Employers are not required to:**

- Give employees meal breaks or rest breaks, no matter the number of hours worked in a day;
- Give paid vacations, holiday, or sick leave;
- Give pay raises or fringe benefits;
- Give premium pay for holiday or weekend work;
- Give a discharge notice, reason for discharge, or immediate payment of final wages to terminated employees; or
- Limit the number of hours in a day or days in a week an employee may be required or scheduled to work, including overtime hours, if the employee is at least 16 years old.

The Fair Labor Standards Act requires employers to keep records on wages, hours, and other items, as specified by The Department of Labor record keeping regulations. The records do not need to be kept in any particular form and time clocks need not be used.

**The required records for each employee are:**

- Personal Information, including employee's name, home address, occupation, sex, and birth date (if under 19 years of age);
- Hour and day when workweek begins;
- Total hours worked each workday and each workweek;
- Total daily or weekly straight time earnings;
- Regular hourly pay rate for any week when overtime is worked;
- Total overtime pay for the workweek
- Deductions from or additions to wages;
- Total wages paid each pay period
- Date of payment and pay period covered.
- Employers may use any method of timekeeping they choose.
- Each employer must preserve for at least three years payroll records, collective bargaining agreements, sales and purchase records.

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More than 6,500 businesses have registered with Parish E-File.com since its launch on October 1, 2008. They include business owners and tax preparers in all parishes and local taxing districts, as well as companies who conduct business in Louisiana, but are headquartered out of state.

The efficiencies provided by Parish E-File.com are especially significant for businesses that operate in multiple locations throughout the state. Prior to Parish E-File.com, these businesses endured a monthly paper filing routine in every parish and taxing district where they do business. Parish E-File.com eliminates all of that paperwork and allows businesses owners to manage the entire sales tax process with the click of a mouse. Parish E-File.com is a convenient, secure, absolutely free public service from the Louisiana Department of Revenue.

ParishE-File.com is an online tool that facilitates secure electronic filing of multiple parish sales and use tax returns and remittances to local taxing authorities throughout Louisiana from one centralized site. Parish E-File is provided to you at no charge by the state or any local taxing authority and offers an easy-to-use registration feature that allows taxpayers to subscribe to the system's services. Parish E-file can be found at <https://parishe-file.revenue.louisiana.gov>.