

Illinois Minimum Wage Law beginning January 1, 2020

	Wage	Tipped*	Under 18**
1/1/20	9.25	5.55	8.00
7/1/20	10.00	6.00	8.00
1/1/21	11.00	6.60	8.50
1/1/22	12.00	7.20	9.25
1/1/23	13.00	7.80	10.50
1/1/24	14.00	8.40	12.00
1/1/25	15.00	9.00	13.00

*Tipped employees **MUST** still make an average of the state minimum wage for the pay period when you add the reduced hourly wage and the tips together.

**The under 18 rate is applicable for those working less than 650 hours per calendar year.

Overtime rules remain the same – time and a half for over 40 hours in a week – paid time off (PTO) does not incur overtime

EXEMPTIONS TO ILLINOIS WAGE AND OVERTIME RULES:

1. Executive pay – if employee meets the requirements of the federal **FLSA** (Fair Labor Standards Act) they will be exempt from the minimum wage.
2. Administrative pay – if employee meets the requirements of the FLSA they will be exempt (see <https://www.employmentlawhandbook.com/federal-employment-and-labor-laws/fsla/exemptions/administrative>)
3. Professional exemption – professionals who meet the requirements of the FLSA are exempt
4. Outside salesperson exemption – an outside salesperson who regularly makes sales or obtains orders or contracts for services and who perform a major portion of these duties away from the employer's place of business.
5. Computer employee exemption – Illinois law does exempt computer systems analysts, programmers, software engineers or other similarly skilled workers from its minimum wage or overtime requirements.
6. Individuals working for employers with less than four employees
7. Some agriculture employees
8. Individuals working in domestic services in a private home
9. Individuals working for religious organizations
10. Students working for an Illinois college
11. Individuals working for motor carriers subject to regulation by US Sec of Transportation.

THIS IS A SUMMARY OF SOME OF THE CHANGES AND REITERATION OF WHAT THE OVERTIME LAWS ARE. PLEASE CONTACT US IF YOU HAVE ADDITIONAL QUESTIONS OR GO ONLINE FOR FURTHER CLARIFICATION.