

Washington Announces 2022 Minimum Wage Rate

Washington state has <u>announced</u> that its minimum wage rate will increase **to \$14.49 per hour** on Jan. 1, 2022. Employers may continue to pay employees who are 14 or 15 years of age 85% of the state's minimum wage rate (\$12.32 per hour).

State Minimum Wage Rate

The minimum wage rate in Washington state is adjusted every year to reflect changes in inflation. Employers must also comply with local laws, ordinances, rules or regulations that require higher minimum wage rates.

Tipped Employees

Although federal law allows for a lower minimum wage rate for tipped employees under certain conditions, Washington state does not consider gratuities as part of an employee's wages. Under state law, employers are responsible for ensuring their tipped employees receive the applicable minimum wage rate.

Employers that impose an automatic service charge related to food, beverages, entertainment or porterage must disclose an itemized receipt showing their customers the percentage of the automatic service charge or tip that will be paid to the employees serving the customers.

Impact on Employers

Employers in Washington state should prepare their payroll processes and procedures to ensure compliance with the new minimum wage requirement by Jan. 1, 2022.

Minimum Wage Rates

Jan. 1, 2021

• \$13.69 for nonexempt employees

Jan. 1, 2022

• \$14.49 for nonexempt employees

Washington state's minimum wage rate will increase to \$14.49 per hour on Jan. 1, 2022.

Provided to you by Insure NW

