

2022 Minimum Wage Changes The content below is current as of January 1, 2022 and is subject to change.

To assist you with planning, the following is a list of increased state minimum wage rates, effective January 1, 2022.

Note: The New York State minimum wage changes are effective December 31, 2021.

Michigan Minimum Wage

Michigan recently announced that they are implementing an increase in minimum wage for 2022. The information has been updated below.

State	Minimum Wage	Tipped Employees Minimum Cash Wage
Arizona	\$12.80	\$9.80
California	\$15.00 (26 or more employees) \$14.00 (25 or fewer employees)	*Note
Delaware	\$10.50	\$2.23 ¹
Illinois	\$12.00	\$7.20
Maine	\$12.75	\$6.38
Maryland	\$12.50 (15 or more employees) \$12.20 (14 or fewer employees)	\$3.63 ¹
Massachusetts	\$14.25	\$6.15
Michigan	\$9.87	\$3.75
Minnesota	\$10.33 (large employers – businesses with annual gross revenues of \$500,00 or more) \$8.42 (small employers – businesses with annual gross revenues of less than \$500,000)	*Note
Missouri	\$11.15	\$5.575
Montana	\$9.20	*Note
New Jersey	\$13.00 ²	\$5.13
New Mexico	\$11.50	\$2.80
New York ³	\$15.00 (NYC large and small employers) \$15.00 (Long Island and Westchester) \$13.20 (Remainder of State	Rates vary by location and industry
Ohio	\$9.30 (current federal minimum wage applies to businesses who gross under \$342,000)	\$4.65



State	Minimum Wage	Tipped Employees Minimum Cash Wage
Puerto Rico	\$8.50	\$2.13 ⁴
Rhode Island	\$12.25	\$3.89 ¹
South Dakota	\$9.95	\$4.975
Vermont	\$12.55	\$6.280
Virginia	\$11.00	\$2.13 ⁴
Washington	\$14.49	*note

^{*}Note: Jurisdiction does not have a tip credit; the minimum cash wage is the minimum wage

Several states have established exemptions from state minimum wage and/or overtime requirements under state law where employees are paid a certain minimum weekly salary or certain minimum hourly amount and perform certain duties. The following is a list of changes to those exemptions:

- California, Colorado, Maine, and Washington are increasing the state weekly minimum salary level for certain state exemptions on January 1, 2022.
- New York is increasing the state weekly minimum salary level for certain state exemptions on December 31, 2021.
- Where California, Maine, Minnesota, Rhode Island, South Dakota, and Washington have set minimum state salary levels or minimum hourly amounts tied to the state minimum wage, these amounts will also increase January 1, 2022.

Additional information regarding state exemptions may be found on the <u>applicable state government websites</u>. We are happy to assist you in complying with these new minimum wage rates. Review your payroll to determine if your business and employees are affected by these changes and notify us of any necessary adjustments. Failure to comply with minimum wage laws may result in substantial penalties.

Important: Paychex will not make any changes to your payroll, including changes to employee wage rates, without your express instructions to do so.

If you have questions, please contact your payroll service representative. The content contained within this document reflects the most current information as of January 1, 2022 and is subject to change.

¹ These rates haven't changed

² The minimum wage rate is lower for seasonal and agricultural employers in New Jersey

³ Minimum wage rates vary by industry and location within New York State

⁴ Follows federal for cash wages and tip credit