

# 2023 Minimum Wage Changes

The content below is current as of **December 14, 2022** and is subject to change. To assist you with planning, the following is a list of some of the states and localities with upcoming increases in their minimum wage rates. We've also provided links to the resources providing additional details regarding rates and coverage. Unless indicated otherwise, **these updates are effective January 1, 2023**.

**Note 1:** For any state or local industry-specific wage rates, review applicable agency websites or consult with your legal or financial advisor.

**Note 2:** The New York State minimum wage changes are effective December 31, 2022.

## Important:

**As always, it is the employer's obligation to ensure you comply with federal, state, and local wage requirements.** 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 service representative.

State	Minimum Wage	Tipped Employees Minimum Cash Wage
<a href="#">Alaska</a>	\$10.85	*Note
<a href="#">Arizona</a>	\$13.85	\$10.85
<a href="#">California</a>	\$15.50	*Note
<a href="#">Colorado</a>	\$13.65	\$10.63
<a href="#">Delaware</a>	\$11.75	\$2.23 <sup>1</sup>
<a href="#">Illinois</a>	\$13.00	\$7.80
<a href="#">Maine</a>	\$13.80	\$6.90
<a href="#">Maryland</a>	<b>Large employers</b> - \$13.25 (15 or more employees)  <b>Small employers</b> - \$12.80 (14 or fewer employees)	\$3.63 <sup>1</sup>
<a href="#">Massachusetts</a>	\$15.00	\$6.75
<a href="#">Michigan</a> <sup>4</sup>	\$10.10	\$3.84

State	Minimum Wage	Tipped Employees Minimum Cash Wage
<a href="#">Minnesota</a>	<b>Large employers</b> - \$10.59 (businesses with annual gross revenues of \$500,000 or more) <b>Small employers</b> - \$8.63 (businesses with annual gross revenues of less than \$500,000)	*Note
<a href="#">Missouri</a>	\$12.00	\$6.00
<a href="#">Montana</a>	\$9.95	*Note
Nebraska	\$10.50	\$2.13 <sup>1</sup>
<a href="#">New Jersey</a> <sup>2</sup>	\$14.13 <sup>2</sup>	\$5.26
<a href="#">New Mexico</a>	\$12.00	\$3.00
<a href="#">New York</a> <sup>3</sup>	<b>NYC large and small employers</b> - \$15.00 <sup>1</sup> <b>Long Island and Westchester</b> - \$15.00 <sup>1</sup> <b>Remainder of NY state</b> - \$14.20	
<a href="#">Ohio</a>	\$10.10 (current federal minimum wage applies to businesses who gross under \$372,000)	\$5.05
<a href="#">Rhode Island</a>	\$13.00	\$3.89 <sup>1</sup>
<a href="#">South Dakota</a>	\$10.80	\$5.40
<a href="#">Vermont</a>	\$13.18	\$6.59
<a href="#">Virginia</a>	\$12.00	\$2.13 <sup>1</sup>
<a href="#">Washington</a>	\$15.74	*Note

\*Note: Jurisdiction does not permit employers to take a tip credit; the minimum cash wage is the minimum wage

<sup>1</sup>These rates haven't changed

<sup>2</sup>The minimum wage rate in New Jersey is different for seasonal and agricultural employers, as well as long term care facility direct care staff

<sup>3</sup>Minimum wage rates vary by industry and location within New York State

<sup>4</sup>As noted in the state's announcement, depending on the outcome of litigation that was still pending on December 14, 2022, the Michigan minimum wage could increase again on February 19, 2023, to \$13.03 for non-tipped employees and \$11.73 for tipped employees minimum cash 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:

- Alaska, California, Colorado, Maine, and Washington are increasing the state weekly minimum salary level for certain state exemptions on January 1, 2023.

**Note:** Most states haven't published this information yet. Check with your state's website frequently for updates.

- [New York](#) has increased the state weekly minimum salary level for certain exemptions as of December 31, 2022. For more information, visit the New York DOL [Minimum Wage Frequently Asked Questions](#), page 2, question 2..

We are happy to assist you in making changes to your employees' pay rates if required. Please 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.

## Local Minimum Wages

The new local minimum wage rates are listed below with links to the resources providing additional details regarding rates and coverage. Unless indicated otherwise, **these updates are effective January 1, 2023:**

### Arizona

Local Jurisdiction	Minimum Wage	Tipped Employees Minimum Cash Wage
<a href="#">Flagstaff</a>	\$16.80	\$14.80
<a href="#">Tucson</a>	\$13.85	\$10.85

### California

Local Jurisdiction	Minimum Wage
<a href="#">Belmont</a>	\$16.75
<a href="#">Burlingame</a>	\$16.47
<a href="#">Cupertino</a>	\$17.20
<a href="#">Daly City</a>	\$16.07
<a href="#">East Palo Alto</a>	\$16.50
<a href="#">El Cerrito</a>	\$17.35
<a href="#">Foster City</a>	\$16.50
<a href="#">Half Moon Bay</a>	\$16.45
<a href="#">Hayward</a>	<b>Large employers</b> - \$16.34 (26 or more employees) <b>Small employers</b> - \$15.50 (25 or fewer employees)
<a href="#">Los Altos</a>	\$17.20
<a href="#">Menlo Park</a>	\$16.20
<a href="#">Mountain View</a>	\$18.15

Local Jurisdiction	Minimum Wage
<a href="#">Novato</a>	<b>Very large employers</b> - \$16.32 (100 or more employees) <b>Large employers</b> - \$16.07 (26-99 employees) <b>Small employers</b> - \$15.53 (1-25 employees)
<a href="#">Oakland</a>	\$15.97
<a href="#">Oakland Hotel Employees</a>	\$17.37 with health benefits, \$23.15 without health benefits
<a href="#">Palo Alto</a>	\$17.25
<a href="#">Petaluma</a>	\$17.06
<a href="#">Redwood City</a>	\$17.00
<a href="#">Richmond</a>	\$16.17
<a href="#">San Carlos</a>	\$16.32

## California

Local Jurisdiction	Minimum Wage
<a href="#">San Diego</a>	\$16.30
<a href="#">San Jose</a>	\$17.00
<a href="#">San Mateo</a>	\$16.75
<a href="#">Santa Clara</a>	\$17.20
<a href="#">Santa Rosa</a>	\$17.06
<a href="#">Sonoma</a>	<b>Large employers</b> - \$17.00 (26 or more employees) <b>Small employers</b> - \$16.00 (25 or fewer employees)

Local Jurisdiction	Minimum Wage
<a href="#">South San Francisco</a>	\$16.70
<a href="#">Sunnyvale</a>	\$17.95
<a href="#">West Hollywood</a>	<b>Large employers</b> - \$17.50 (50 or more employees) <b>Small employers</b> - \$17.00 (49 or fewer employees)

## Colorado

Local Jurisdiction	Minimum Wage	Tipped Employees Minimum Cash Wage
<a href="#">Denver</a>	\$17.29	\$14.27

## Maine

Local Jurisdiction	Minimum Wage	Tipped Employees Minimum Cash Wage
<a href="#">Portland</a>	\$14.00	\$7.00
<a href="#">Rockland</a>	\$14.00	\$7.00

## Maryland

Local Jurisdiction	Minimum Wage	Tipped Employees Minimum Cash Wage
<a href="#">Howard County</a>	<b>Large employers</b> - \$15.00 <b>Small employers</b> - \$13.25	\$11.37 \$9.62

## Minnesota

Local Jurisdiction	Minimum Wage	Tipped Employees Minimum Cash Wage
<a href="#">Minneapolis</a>	<b>Large employers</b> - \$15.19 (More than 100 employees)	**Note
<a href="#">St. Paul</a>	<b>Marco employers</b> - \$15.19 (More than 10,000 employees)	**Note

## New Mexico

Local Jurisdiction	Minimum Wage	Tipped Employees Minimum Cash Wage
<a href="#">Albuquerque</a>	\$12.00	\$7.20
<a href="#">Las Cruces</a>	\$12.00	\$4.78

## Washington

Local Jurisdiction	Minimum Wage
<a href="#">Setac</a>	\$19.06
<a href="#">Seattle</a>	<b>Large employers</b> - \$18.69 (501 or more employees) <b>Small employers</b> - 500 or fewer employees \$18.69 (paid less than \$2.19 in medical benefits) \$16.50 (paid \$2.19 or more in medical benefits)

\*\*Note: Jurisdiction does not permit employers to take a tip credit; the minimum cash wage is the minimum wage

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