

Reminder: Michigan's Minimum Wage Increases to \$8.50/Hour

January 4, 2016

In May 2014, Michigan enacted a law that will gradually increase the minimum wage from \$7.40 to \$9.25 per hour by January 1, 2018. On January 1, 2016, the minimum hourly wage for employees increased by 35 cents, from \$8.15 to \$8.50 per hour.

The minimum wage for tipped employees also increased from \$3.10 to \$3.23 per hour. Tipped employees must earn \$8.50 per hour with gratuities and regular wages taken into account. If the gratuities plus the tipped employee minimum hourly wage rate do not equal or exceed the minimum hourly wage, then the employer pays any shortfall to the employee.

The increase is the second in 16 months under the 2014 law.

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