

## 20 Appendix I: Hospitality Overtime Factors

Federal Law requires that employer's pay overtime based on minimum wage, not the sub-minimum wage that are paid to servers, bartenders, and busboys. In addition, a tip credit may be taken for that portion of the minimum wage that is associated with the reported tips. The exact formula is as follows:

$$(\text{Minimum wage} * 1.5) - (\text{Minimum wage} - \text{Actual wage per hour}) = \text{Overtime Pay}$$

The following table can be used in place of the above formula. To use, find the rate of pay in the "PAYRATE" column, and depending on your state, use the associated number in the OT FACTOR field when setting up or modifying an employee. For example, if servers are paid \$2.38 per hour, and your business is in Maryland, then the applicable OT FACTOR in the Employee "Pay Info" area of the master screen will be 2.08.

<b>PAYRATE</b>	<b>MD</b>	<b>VA</b>	<b>DE</b>	<b>PA</b>
\$2.13	N/A	2.21	N/A	N/A
\$2.23	N/A	2.17	2.38	N/A
\$2.25	N/A	2.15	2.37	N/A
\$2.30	N/A	2.12	2.34	N/A
\$2.35	N/A	2.09	2.31	N/A
\$2.38	2.08	2.08	2.29	N/A
\$2.40	2.08	2.08	2.28	N/A
\$2.45	2.05	2.05	2.26	N/A
\$2.50	2.03	2.03	2.23	N/A
\$2.55	2.01	2.01	2.21	N/A
\$2.60	1.99	1.99	2.18	N/A
\$2.65	1.97	1.97	2.16	N/A
\$2.70	1.95	1.95	2.14	N/A
\$2.75	1.94	1.94	2.12	N/A
\$2.80	1.92	1.92	2.10	N/A
\$2.83	1.91	1.91	2.09	1.91
\$2.85	1.91	1.91	2.08	1.91
\$2.90	1.88	1.88	2.06	1.88
\$2.95	1.87	1.87	2.04	1.87
\$3.00	1.86	1.86	2.03	1.86
\$3.05	1.84	1.84	2.01	1.84
\$3.10	1.83	1.83	1.99	1.83
\$3.15	1.82	1.82	1.98	1.82
\$3.20	1.80	1.80	1.96	1.80
\$3.25	1.79	1.79	1.95	1.79
\$3.30	1.78	1.78	1.93	1.78
\$3.35	1.77	1.77	1.92	1.77

<b>PAYRATE</b>	<b>MD</b>	<b>VA</b>	<b>DE</b>	<b>PA</b>
\$3.40	1.76	1.76	1.91	1.76
\$3.45	1.75	1.75	1.89	1.75
\$3.50	1.74	1.74	1.88	1.74
\$3.55	1.73	1.73	1.87	1.73
\$3.60	1.72	1.72	1.86	1.72
\$3.65	1.71	1.71	1.84	1.71
\$3.70	1.70	1.70	1.83	1.70
\$3.75	1.69	1.69	1.82	1.69
\$3.80	1.68	1.68	1.81	1.68
\$3.85	1.67	1.67	1.80	1.67
\$3.90	1.66	1.66	1.79	1.66
\$3.95	1.65	1.65	1.78	1.65
\$4.00	1.64	1.64	1.77	1.64
\$4.05	1.63	1.63	1.76	1.63
\$4.10	1.63	1.63	1.75	1.63
\$4.15	1.62	1.62	1.74	1.62
\$4.20	1.61	1.61	1.73	1.61
\$4.25	1.61	1.61	1.72	1.61
\$4.30	1.60	1.60	1.72	1.60
\$4.35	1.59	1.59	1.71	1.59
\$4.40	1.59	1.59	1.70	1.59
\$4.45	1.58	1.58	1.69	1.58
\$4.50	1.57	1.57	1.68	1.57
\$4.55	1.57	1.57	1.68	1.57
\$4.60	1.56	1.56	1.67	1.56
\$4.65	1.55	1.55	1.66	1.55
\$4.70	1.55	1.55	1.66	1.55
\$4.75	1.54	1.54	1.65	1.54
\$4.80	1.54	1.54	1.64	1.54
\$4.85	1.53	1.53	1.64	1.53
\$4.90	1.53	1.53	1.63	1.53
\$4.95	1.52	1.52	1.62	1.52
\$5.00	1.52	1.52	1.62	1.52
\$5.05	1.51	1.51	1.62	1.51
\$5.10	1.51	1.51	1.61	1.51
\$5.15	1.50	1.50	1.60	1.50
\$5.20	N/A	N/A	1.59	N/A
\$5.25	N/A	N/A	1.59	N/A
\$5.30	N/A	N/A	1.58	N/A
\$5.35	N/A	N/A	1.58	N/A
\$5.40	N/A	N/A	1.57	N/A
\$5.45	N/A	N/A	1.57	N/A

<b>PAYRATE</b>	<b>MD</b>	<b>VA</b>	<b>DE</b>	<b>PA</b>
<b>\$5.50</b>	<b>N/A</b>	<b>N/A</b>	<b>1.56</b>	<b>N/A</b>
<b>\$5.55</b>	<b>N/A</b>	<b>N/A</b>	<b>1.55</b>	<b>N/A</b>
<b>\$5.60</b>	<b>N/A</b>	<b>N/A</b>	<b>1.55</b>	<b>N/A</b>
<b>\$5.65</b>	<b>N/A</b>	<b>N/A</b>	<b>1.55</b>	<b>N/A</b>
<b>\$5.70</b>	<b>N/A</b>	<b>N/A</b>	<b>1.54</b>	<b>N/A</b>
<b>\$5.75</b>	<b>N/A</b>	<b>N/A</b>	<b>1.54</b>	<b>N/A</b>
<b>\$5.80</b>	<b>N/A</b>	<b>N/A</b>	<b>1.53</b>	<b>N/A</b>
<b>\$5.85</b>	<b>N/A</b>	<b>N/A</b>	<b>1.53</b>	<b>N/A</b>
<b>\$5.90</b>	<b>N/A</b>	<b>N/A</b>	<b>1.52</b>	<b>N/A</b>
<b>\$5.95</b>	<b>N/A</b>	<b>N/A</b>	<b>1.52</b>	<b>N/A</b>
<b>\$6.00</b>	<b>N/A</b>	<b>N/A</b>	<b>1.51</b>	<b>N/A</b>
<b>\$6.05</b>	<b>N/A</b>	<b>N/A</b>	<b>1.51</b>	<b>N/A</b>
<b>\$6.10</b>	<b>N/A</b>	<b>N/A</b>	<b>1.50</b>	<b>N/A</b>
<b>\$6.15</b>	<b>N/A</b>	<b>N/A</b>	<b>1.50</b>	<b>N/A</b>