



CLIENT ALERT

NEW JERSEY MINIMUM WAGE WILL GRADUALLY INCREASE TO \$15

Beginning July 1, 2019, the minimum wage in New Jersey will gradually increase to \$15.00 per hour by the year 2024. Employers who employ six or more employees (“Large Employers”) will be subject to a different minimum wage than those that employ five or fewer employees (“Small Employers”). The minimum wage schedule for Large Employers and Small Employers in New Jersey, including scheduled increases, is as follows:

These rates may change if the increase in the consumer price index for urban wage earners and clerical workers (“CPI-W”) exceeds the scheduled increase in the minimum wage for any year, or if the federal minimum wage is then higher than the New Jersey minimum wage.

Further, for Large Employers, after 2024, the minimum wage rate will increase based on the CPI-W at the time (or the federal minimum wage rate, if higher). For Small Employers and Seasonal Employers, after 2026 there will be further annual CPI-W adjustments to the minimum wage so that by January 1, 2028, all employers will be subject to the same minimum wage rate.

In addition, regardless of the employer’s size, employees engaged in “seasonal employment” will be subject to the same wage scale as Small Employers.

Finally, for hospitality employers, the amount of the tip credit an employer may take from the minimum wage of tipped employees will also increase over time. A full discussion of the scheduled tip credit increases in NJ and implications for NJ tipped employees can be found here: [CHANGES TO THE TIP CREDIT MINIMUM WAGE FOR NEW JERSEY HOSPITALITY EMPLOYERS](#)

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If you have questions or would like additional information, please contact our Employment Law Practice Group Leader Amanda M. Fugazy (afugazy@egsllp.com) or the primary EGS attorney with whom you work.



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