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Minimum Wage in N.C.

The minimum wage in North Carolina is currently \$7.25 an hour. Employers doing business in North Carolina are required to pay at least \$7.25 per hour to all employees (agricultural and domestic employees are subject to the federal minimum wage). The \$7.25 per hour state minimum wage also applies to the state of North Carolina, to county and local governments and to instrumentalities of government.

For employers who have "tipped employees," employers are permitted to take a credit for a certain amount of tips earned by their employees toward the employers' payment of the minimum wage. However, for an employer to be able to count tips as wages and take a tip credit towards the minimum wage, the law requires that tipped employees be notified in advance and be permitted to retain all tips, and requires that the employer maintains accurate and complete records of tips received by each employee and such tips must be certified by tipped employees monthly or for each pay period. In businesses that are covered by NCDOL for minimum wage (generally businesses that make less than \$500,000 in gross sales), tip pooling is permitted as long as the tipped employees retain at least 85 percent of the tips they receive, which means the employer must maintain accurate and complete records of the tips received and the amount of tips earned under the tip pooling arrangement.

In North Carolina, an employer MUST pay at least \$2.13 an hour to tipped employees as long as each employee receives enough in tips to make up the difference between the wages paid and the minimum wage (\$7.25).

Employers MUST pay more than the \$2.13 hourly cash wage if the tipped employee earns less than the credit in tips per hour, as it is the employer's responsibility to make sure that all tipped employees earn at least the minimum wage in cash wages and tips.

For more information about workplace rights, please contact our toll free number at 1-800-NC-LABOR (800-625-2267).

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<u>Adverse Weather Policies in the Private Sector (/workplace-rights/employee-rights-regarding-time-worked-and-wages-earned/adverse-weather-policies)</u>

<u>Changes or Reduction in Wages (/workplace-rights/employee-rights-regarding-time-worked-and-wages-earned/changes-or-reduction-wages)</u>

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<u>Deductions from Wages (/workplace-rights/employee-rights-regarding-time-worked-and-wages-earned/deductions-wages)</u>

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<u>How to File a Wage Complaint (/workplace-rights/employee-rights-regarding-time-worked-and-wages-earned/how-file-wage-complaint)</u>

<u>Independent Contractor vs. Employee (/workplace-rights/employee-rights-regarding-time-worked-and-wages-earned/independent-contractor-vs-employee)</u>

<u>Job Reference and Blacklisting Laws (/workplace-rights/employee-rights-regarding-time-worked-and-wages-earned/job-reference-and-0)</u>

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<u>Medical Payment Law (/workplace-rights/employee-rights-regarding-time-worked-and-wages-earned/medical-payment-law)</u>

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<u>Overtime Pay Coefficient Table (/workplace-rights/employee-rights-regarding-time-worked-and-wages-earned/overtime-pay-coefficient)</u>

<u>Overtime Pay, Salary and Comp Time (/workplace-rights/employee-rights-regarding-time-worked-and-wages-earned/overtime-pay-salary-and-comp-time)</u>

<u>Overtime-Weighted Average (WAOT) (/workplace-rights/employee-rights-regarding-time-worked-and-wages-earned/overtime-weighted-average)</u>

<u>Parental Leave (/workplace-rights/employee-rights-regarding-time-worked-and-wages-earned/parental-leave)</u>

<u>Payment of Final Wages to Separated Employees (/workplace-rights/employee-rights-regarding-time-worked-and-wages-earned/payment-final-wages)</u>

<u>Prevailing Wage Rates (/workplace-rights/employee-rights-regarding-time-worked-and-wages-earned/prevailing-wage-rates)</u>

<u>Promised Wages Including Wage Benefits (/workplace-rights/employee-rights-regarding-time-worked-and-wages-earned/promised-wages-including-wage-benefits)</u>

Recording Time and Rounding of Hours Worked (/workplace-rights/employee-rights-regarding-time-worked-and-wages-earned/recording-time-and-rounding)

<u>Riding and Driving/Meeting and Training (/workplace-rights/employee-rights-regarding-time-worked-and-wages-earned/riding-and-drivingmeeting)</u>

<u>Volunteer Firefighter-EMS Volunteer Work Hours (/workplace-rights/employee-rights-regarding-time-worked-and-wages-earned/volunteer-firefighter-ems)</u>

What to Know About Breaks (/workplace-rights/employee-rights-regarding-time-worked-and-wages-earned/what-know-about-breaks)