



2014 Payroll Fact Sheet

What is the Michigan Minimum Wage?

Michigan's Workforce Opportunity Wage Act, Public Act 138 of 2014

Effective May 27, 2014, Public Act 138 of 2014, the Workforce Opportunity Wage Act, repealed and replaced Public Act 154 of 1964, as amended, the Minimum Wage Law.

Effective September 1, 2014, tipped employees may be paid 38% of the Section 4 Minimum Hourly Wage Rate. If the gratuities plus the tipped employee minimum hourly wage rate under subsection 4d do not equal or exceed the minimum hourly wage otherwise established under section 4, the employer pays any shortfall to the employee.

A training wage of \$4.25 per hour may be paid to employees 16-19 years of age for the first 90 days of their employment.

Minors 16-17 years of age may be paid 85% of the minimum hourly wage rate.

The rates are as follows:

Effective Date	Minimum Hourly Wage Rate	Tipped Employee Hourly Wage Rate	85% of Minimum Hourly Wage Rate
Before September 1, 2014	\$7.40	\$2.65	\$7.25*
<u>September 1, 2014</u>	<u>\$8.15</u>	<u>\$3.10</u>	\$7.25*
January 1, 2016	\$8.50	\$3.23	\$7.25*
January 1, 2017	\$8.90	\$3.38	\$7.57
January 1, 2018	\$9.25	\$3.52	\$7.86

*The state 85% rate of \$6.29 per hour from 5/27/2014 through 8/31/2014, and the \$6.93 from 9/1/2014 through 1/1/2016, and the \$7.23 from 1/1/2016 through 1/1/2017; is lower than the federal minimum wage of \$7.25. Section 10(1) of Public Act 138 of 2014, as amended, states: ". . . This act does not apply to an employer that is subject to the minimum wage provisions of the fair labor standards act of 1938, 29 USC 201 to 219, unless those federal minimum wage provisions would result in a lower minimum hourly wage than provided in this act.."

Questions regarding [Federal Minimum Wage](#) information can be directed to: 1-866-487-9243 (1-866-4US-WAGE).