

# HR COMPLIANCE OVERVIEW



## 2025 Minimum Wage Rates By State

The minimum wage rate is expected to change in 2025 in the following states:

- Alaska
- Arizona
- California
- Colorado
- Connecticut
- Delaware
- District of Columbia
- Florida
- Illinois
- Maine
- Michigan
- Minnesota
- Missouri
- Montana
- Nebraska
- New Jersey
- New York
- Ohio
- Oregon
- Rhode Island
- South Dakota
- Vermont
- Virginia
- Washington

Certain areas of states (e.g., cities and counties) may have minimum wage rates higher than the state rate.

Under federal and state laws, employers must compensate their employees with 1.5 times their regular rate of pay for any hours of overtime work. However, under these laws, employees who work in an executive, administrative or professional (EAP) capacity are exempt from overtime pay if they satisfy, among other things, the salary level requirements for their exemption.

## Important Dates

### Jan. 1, 2025

A new minimum wage rate is expected in 21 states.

### Feb. 21, 2025

A new minimum wage rate is expected in Michigan (its second change of 2025).

### July 1, 2025

A new minimum wage rate is expected in Alaska (its second change of 2025), the District of Columbia, and Oregon.

### Sept. 30, 2025

A new minimum wage rate is expected in Florida.

## Poster Requirements

New minimum wage rates may require employers to visit individual states' department of labor websites to update their wage and hour notices.

## LINKS AND RESOURCES

- U.S. Department of Labor [table of minimum wage by state](#)
- U.S. Department of Labor [federal minimum wage](#) page

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Jurisdiction	2025 Rate	Effective	Tip Rate/Notes
Alabama	\$7.25	Already in effect	<ul style="list-style-type: none"> <li>No state minimum wage rate. The federal rate applies, including the \$2.13 rate for tipped employees.</li> </ul>
Alaska	\$11.91	Jan. 1, 2025	<ul style="list-style-type: none"> <li>Tips do not count toward the minimum wage.</li> <li>The minimum wage rate is scheduled to increase to \$13 on July 1, 2025, \$14 on July 1, 2026, and \$15 on July 1, 2027. The minimum wage rate will then increase with inflation in subsequent years and will always be at least \$2 above the federal minimum wage rate.</li> </ul>
Arizona	\$14.70	Jan. 1, 2025	<ul style="list-style-type: none"> <li>\$3 per hour below the minimum wage rate for tipped employees.</li> <li>The minimum wage in certain areas of the state may differ.</li> </ul>
Arkansas	\$11	Already in effect	<ul style="list-style-type: none"> <li>\$2.63 per hour for tipped employees. The state rate applies to employers with four or more employees.</li> </ul>
California	\$16.50	Jan. 1, 2025	<ul style="list-style-type: none"> <li>California does not allow employers to use a tip credit.</li> <li>Visit the California Department of Industrial Relations <a href="#">website</a> for state wage orders.</li> </ul>
Colorado	\$14.81	Jan. 1, 2025	<ul style="list-style-type: none"> <li>The rate for tipped employees is \$11.79 per hour (effective Jan. 1, 2025)</li> <li>The rate for non-emancipated minors is \$12.59 per hour (effective Jan. 1, 2025)</li> <li>The minimum wage in certain areas of the state may differ.</li> </ul>
Connecticut	\$16.35	Jan. 1, 2025	<ul style="list-style-type: none"> <li>The rate for tipped workers in the hotel and restaurant industry is \$6.38.</li> <li>The rate for tipped bartenders is \$8.23.</li> </ul>
Delaware	\$15	Jan. 1, 2025	<ul style="list-style-type: none"> <li>\$2.23 per hour for tipped employees.</li> </ul>
District of Columbia	\$17.50	Already in effect	<ul style="list-style-type: none"> <li>On July 1, 2025, the minimum wage is expected to increase in proportion to the Consumer Price Index, and the base minimum wage rate for tipped employees will increase from \$10 per hour to \$12 per hour. However, if an employee's hourly tip earnings (averaged weekly) added to the base minimum wage do not equal the District's full minimum wage, the employer must pay the difference. The wage rate for tipped employees is also scheduled to increase to \$14 per hour on July 1, 2026, and on July 1, 2027, the wage rate for tipped employees will match the District's full minimum wage.</li> </ul>

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Jurisdiction	2025 Rate	Effective	Tip Rate/Notes
Florida	\$13	Already in effect	<ul style="list-style-type: none"> <li>• \$9.98 per hour for tipped employees.</li> <li>• On September 30, 2025, the Florida minimum wage rate is expected to increase to \$14 per hour and the minimum wage rate for tipped employees is expected to increase to \$10.98 per hour.</li> </ul>
Georgia	\$7.25	Already in effect	<ul style="list-style-type: none"> <li>• A \$5.15 per hour state minimum wage rate applies only to workers not covered by the Fair Labor Standards Act (FLSA) (very limited application).</li> </ul>
Hawaii	\$14	Already in effect	<ul style="list-style-type: none"> <li>• \$12.75 per hour for tipped employees.</li> <li>• New minimum wage rates of \$16 per hour on Jan. 1, 2026, and \$18 per hour on Jan. 1, 2028.</li> <li>• New minimum wage rates for tipped employees of \$14.75 per hour Jan. 1, 2026, and \$16.50 per hour on Jan. 1, 2028.</li> </ul>
Idaho	\$7.25	Already in effect	<ul style="list-style-type: none"> <li>• \$3.35 per hour for tipped employees.</li> </ul>
Illinois	\$15	Jan. 1, 2025	<ul style="list-style-type: none"> <li>• Tip credit cannot exceed 40% of the applicable minimum wage.</li> <li>• \$9 per hour for tipped employees (effective Jan. 1, 2025).</li> <li>• \$13 per hour for youth under the age of 18 working fewer than 650 hours per calendar year (effective Jan. 1, 2025).</li> <li>• The minimum wage in certain areas of the state may differ.</li> </ul>
Indiana	\$7.25	Already in effect	<ul style="list-style-type: none"> <li>• \$2.13 per hour for tipped employees.</li> </ul>
Iowa	\$7.25	Already in effect	<ul style="list-style-type: none"> <li>• \$4.35 per hour for tipped employees.</li> </ul>
Kansas	\$7.25	Already in effect	<ul style="list-style-type: none"> <li>• \$2.13 per hour for tipped employees.</li> </ul>
Kentucky	\$7.25	Already in effect	<ul style="list-style-type: none"> <li>• \$2.13 per hour for tipped employees.</li> </ul>
Louisiana	\$7.25	Already in effect	<ul style="list-style-type: none"> <li>• No state minimum wage rate. The federal rate applies, including the \$2.13 rate for tipped employees.</li> </ul>
Maine	\$14.65	Jan. 1, 2025	<ul style="list-style-type: none"> <li>• \$7.33 per hour for tipped employees (effective Jan. 1, 2025).</li> <li>• The minimum wage in certain areas of the state may differ.</li> </ul>
Maryland	\$15	Already in effect	<ul style="list-style-type: none"> <li>• \$3.63 per hour for tipped employees.</li> <li>• 85% of state rate for employees under 18 years of age (\$12.75).</li> <li>• Different rates may apply for various <a href="#">counties</a> or other areas of Maryland.</li> </ul>

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Jurisdiction	2025 Rate	Effective	Tip Rate/Notes
Massachusetts	\$15	Already in effect	<ul style="list-style-type: none"> <li>• \$6.75 per hour for tipped employees who make more than \$20 a month in tips.</li> </ul>
Michigan	\$10.56	Jan. 1, 2025	<ul style="list-style-type: none"> <li>• \$4.01 per hour for tipped employees (effective Jan. 1, 2025)</li> <li>• Minors who are under 18 years of age may be paid 85% of the minimum wage rate (\$8.98 per hour effective Jan. 1, 2025).</li> <li>• \$4.25 per hour is the training wage for newly hired employees under 20 years of age for their first 90 days of employment.</li> <li>• On Feb. 21, 2025, Michigan's minimum wage will increase to \$12.48, and the tipped employee rate will increase to \$5.99. The 85% rate for minors under the age of 18 rate will increase to \$10.61</li> <li>• The minimum wage rate is scheduled to increase to \$13.29 on Feb. 21, 2026, \$14.16 on Feb. 21, 2027, and \$14.97 on Feb. 21, 2028.</li> <li>• The tipped employee rate is scheduled to increase to \$7.97 on Feb. 21, 2026, \$9.91 on Feb. 21, 2027, and \$11.98 on Feb. 21, 2028.</li> <li>• The 85% rate for minors under the age of 18 is scheduled to increase to \$11.30 on Feb. 21, 2026, \$12.04 on Feb. 21, 2027, and \$12.72 on Feb. 21, 2028.</li> </ul>
Minnesota	\$11.13	Jan. 1, 2025	<ul style="list-style-type: none"> <li>• Effective Jan. 1, 2025, both large and small employers must pay all employees, including youth under the age of 18 and J-1 visa workers, the state's single standard minimum wage, unless an exception applies.</li> <li>• No tip credit allowed.</li> <li>• A \$9.08 training rate applies to employees under 20 years of age during their first 90 days of work (effective Jan. 1, 2025).</li> <li>• The minimum wage in certain areas of the state may differ.</li> </ul>
Mississippi	\$7.25	Already in effect	<ul style="list-style-type: none"> <li>• No state minimum wage rate. The federal rate applies, including the \$2.13 rate for tipped employees.</li> </ul>

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Jurisdiction	2025 Rate	Effective	Tip Rate/Notes
Missouri	\$13.75	Jan. 1, 2025	<ul style="list-style-type: none"> <li>• \$6.875 (50% of the minimum wage rate) for tipped employees (effective Jan. 1, 2025).</li> <li>• Missouri’s minimum wage rate is scheduled to increase to \$15 and the tip rate is scheduled to increase to \$7.50 on Jan. 1, 2026.</li> <li>• Beginning Jan. 1, 2027, an annual minimum wage rate will be calculated based on changes in the Consumer Price Index.</li> </ul>
Montana	\$10.55	Jan. 1, 2025	<ul style="list-style-type: none"> <li>• No tip credit, meal credit or training wage is allowed. A \$4 rate applies to small businesses not covered by the FLSA whose gross annual sales equal \$110,000 or less. However, if an employee produces or moves goods between states or is otherwise covered by the FLSA, that individual must be paid the greater of the federal minimum wage or Montana’s minimum wage.</li> </ul>
Nebraska	\$13.50	Jan. 1, 2025	<ul style="list-style-type: none"> <li>• \$2.13 per hour for tipped employees.</li> <li>• \$15 per hour beginning Jan. 1, 2026.</li> <li>• The rate will be adjusted annually to reflect the cost of inflation beginning on Jan. 1, 2027.</li> </ul>
Nevada	\$12	Already in effect	<ul style="list-style-type: none"> <li>• The \$12 per hour is applicable for all employees, including tipped employees.</li> <li>• Nevada law prohibits a provider of jobs and day training services from entering into a contract on or after Jan. 1, 2025, that provides for a recipient of jobs and day training services to receive a wage that is less than the state minimum wage.</li> </ul>
New Hampshire	\$7.25	Already in effect	<ul style="list-style-type: none"> <li>• Tipped employees must receive 45% (\$3.26) of the applicable minimum wage rate.</li> </ul>
New Jersey	\$15.49	Jan. 1, 2025	<ul style="list-style-type: none"> <li>• The state rate applies to employers with six or more employees. Additional rates may apply: <ul style="list-style-type: none"> <li>• \$14.53 per hour for seasonal and small employers with fewer than six employees (effective Jan. 1, 2025)</li> <li>• \$5.62 per hour for tipped workers’ cash wage (effective Jan. 1, 2025)</li> <li>• \$13.40 per hour for agricultural employees (effective Jan. 1, 2025)</li> <li>• \$18.49 per hour for long-term care facility direct care staff members (effective Jan. 1, 2025)</li> </ul> </li> </ul>
New Mexico	\$12	Already in effect	<ul style="list-style-type: none"> <li>• \$3 per hour for tipped employees</li> <li>• The minimum wage in certain areas of the state may differ.</li> </ul>

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Jurisdiction	2025 Rate	Effective	Tip Rate/Notes
<b>New York</b>	<ul style="list-style-type: none"> <li>• \$16.50 (New York City, Long Island and Westchester)</li> <li>• \$15.50 (Remainder of the state)</li> </ul>	Jan. 1, 2025	<ul style="list-style-type: none"> <li>• The minimum wage rate in New York varies by location and industry. Visit the <a href="#">New York Department of Labor website</a> for more minimum wage rate information.</li> <li>• The tipped rate for service employees are as follows: <ul style="list-style-type: none"> <li>• In New York City, Long Island and Westchester: \$13.75 for tipped service employees and \$11 for tipped food service workers (effective Jan. 1, 2025).</li> <li>• In the remainder of the state: \$12.90 for tipped service employees and \$10.35 for tipped food service workers. (effective Jan. 1, 2025).</li> </ul> </li> <li>• The standard minimum wage is set to increase to \$17 in New York City, Long Island, and Westchester and \$16 in the remainder of the state on Jan. 1, 2026.</li> <li>• The tipped employee rates are scheduled to increase on Jan. 1, 2026: <ul style="list-style-type: none"> <li>• In New York City, Long Island and Westchester: \$14.15 for tipped service employees and \$11.35 for tipped food service workers</li> <li>• In the remainder of the state: \$13.30 for tipped service employees and \$10.70 for tipped food service workers. (effective Jan. 1, 2025).</li> </ul> </li> </ul>
<b>North Carolina</b>	\$7.25	Already in effect	<ul style="list-style-type: none"> <li>• \$2.13 per hour for tipped employees.</li> </ul>
<b>North Dakota</b>	\$7.25	Already in effect	<ul style="list-style-type: none"> <li>• \$4.86 per hour for tipped employees.</li> </ul>
<b>Ohio</b>	\$10.70	Jan. 1, 2025	<ul style="list-style-type: none"> <li>• \$5.35 per hour for tipped employees (effective Jan. 1, 2025).</li> <li>• Employers that gross less than \$394,000 must pay their employees no less than the current federal minimum wage rate.</li> </ul>
<b>Oklahoma</b>	\$7.25/\$2	Already in effect	<ul style="list-style-type: none"> <li>• The higher rate applies to employers with 10 or more full-time employees at any one location and to employers with annual gross sales over \$100,000; all other employees not covered by the Fair Labor Standards Act (FLSA) are subject to the state minimum wage of \$2 per hour (very limited application).</li> </ul>

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Jurisdiction	2025 Rate	Effective	Tip Rate/Notes
<b>Oregon</b>	\$14.70 (standard rate)	Already in effect	<ul style="list-style-type: none"> <li>No tip credit allowed.</li> <li>The rate for the Portland metro area within the <a href="#">urban growth boundary</a> is \$1.25 above the standard state rate (\$15.95).</li> <li>The rate for nonurban counties is \$1.00 less than the standard state rate (\$13.70).</li> <li>The standard state rate will be adjusted annually based on the increase, if any, to the US city average Consumer Price Index for All Urban Consumers and take effect July 1, 2025. Rates for the Portland metro area within the urban growth boundary and nonurban counties will also be adjusted accordingly and take effect on July 1, 2025.</li> </ul>
<b>Pennsylvania</b>	\$7.25	Already in effect	<ul style="list-style-type: none"> <li>\$2.83 per hour for tipped employees who earn at least \$135.00 in tips per month.</li> </ul>
<b>Rhode Island</b>	\$15	Jan. 1, 2025	<ul style="list-style-type: none"> <li>\$3.89 per hour for tipped employees.</li> </ul>
<b>South Carolina</b>	\$7.25	Already in effect	<ul style="list-style-type: none"> <li>No state minimum wage rate. The federal rate applies, including the \$2.13 rate for tipped employees.</li> <li>The minimum wage in certain areas of the state may differ.</li> </ul>
<b>South Dakota</b>	\$11.50	Jan. 1, 2025	<ul style="list-style-type: none"> <li>\$5.75 (50% of the state minimum wage rate) per hour for tipped employees (effective Jan. 1, 2025).</li> </ul>
<b>Tennessee</b>	\$7.25	Already in effect	<ul style="list-style-type: none"> <li>No state minimum wage rate. The federal rate applies, including the \$2.13 rate for tipped employees.</li> </ul>
<b>Texas</b>	\$7.25	Already in effect	<ul style="list-style-type: none"> <li>\$2.13 per hour for tipped employees.</li> </ul>
<b>Utah</b>	\$7.25	Already in effect	<ul style="list-style-type: none"> <li>\$2.13 per hour for tipped employees.</li> <li>The minimum wage in certain areas of the state may differ.</li> </ul>
<b>Vermont</b>	\$14.01	Jan. 1, 2025	<ul style="list-style-type: none"> <li>\$7.01 (50% of the state minimum wage rate) per hour for tipped employees (effective Jan. 1, 2025).</li> </ul>
<b>Virginia</b>	\$12.41	Jan. 1, 2025	<ul style="list-style-type: none"> <li>Virginia honors the “tip credit” provisions established under the FLSA (\$2.13 per hour). However, the combined wage rate plus the tips actually received by the employee must meet the Virginia minimum wage rate, and if not, the employer must pay the remaining difference.</li> </ul>
<b>Washington</b>	\$16.66	Jan. 1, 2025	<ul style="list-style-type: none"> <li>No tip credit allowed.</li> <li>Workers who are 14 or 15 years old may be paid 85% of the state minimum wage rate (\$14.16 per hour, effective Jan. 1, 2025).</li> <li>The minimum wage in certain areas of the state may differ.</li> </ul>

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West Virginia	\$8.75	Already in effect	<ul style="list-style-type: none"><li>• The state rate applies to employers with six or more non-exempt employees working at any one separate, distinct, and permanent workplace.</li><li>• Employers may take up to a 70% credit, or \$6.13 per hour, against the required minimum wage rate for employees who customarily receive tips, resulting in a rate of at least \$2.62 per hour.</li></ul>
Wisconsin	\$7.25	Already in effect	<ul style="list-style-type: none"><li>• \$2.33 per hour for tipped employees.</li></ul>
Wyoming	\$7.25	Already in effect	<ul style="list-style-type: none"><li>• \$2.13 per hour for tipped employees.</li><li>• A \$5.15 per hour state rate applies only to workers not covered by the FLSA (very limited application).</li><li>• Workers who are under 20 years of age may be paid \$4.25 during their first 90 days of employment.</li></ul>