

Deductions from Pay

Gray Reed's Employer Handbook

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One of your employees damages a piece of work equipment. Can you deduct the repair from their wages? What if it takes them below minimum wage for the week? Do you need their written consent before doing so?

If you loan an employee money, can you collect it from their pay check? Can you charge interest and administrative fees?

Understanding deductions from pay may seem simple, but I promise the questions above caught many of you flat footed. It is more complicated than it looks and if you screw it up, you could end up with a full blown Department of Labor audit on your hands. Investigators will be looking into every nook and cranny of your pay system in hopes of finding something for which to charge you.

Take a look at this month's piece to learn more to find out the answers to these questions and more.

To download this month's edition of the Employer Handbook, <u>click here</u>.