

Here at Proliant we are always staying aware of the latest payroll and HR news to keep you compliant and successful. The restaurant industry has changed rapidly in recent years, and with those changes come new laws and regulations you need to follow. Check out this list on some of the most common restaurant pay violations and make sure you are putting your #PeopleFirst.

*Your Business
+ Proliant
the Perfect Combo.*

Top Ten Restaurant Pay Violations



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1 Management Stealing Tips

Owners and managers improperly take a share of the tips for themselves or to pay kitchen workers or non-service staff.

2 Minimum Wage

Many restaurants ignore the requirement that they either pay their waitstaff minimum wage (ranging from \$11.10 to \$15.00 per hour within New York state) or a tipped minimum wage (\$7.50 per hour in New York) if they take a “tip credit.”

3 Overtime Pay

Restaurants often pay servers shift pay or a weekly salary and do not pay their workers for all overtime hours worked over 40 in a week.

4 Payment of Hourly Wages

Some restaurants don’t pay any house pay and the waitstaff works just for tips.

5 Training Pay

Waiters are often not paid for the time they spend in training. If training is mandatory, then an employee must be paid at least the minimum wage for this time. In New York, if the trainee does not receive tips during this time, they must be paid the full minimum wage (ranging from \$11.10 to \$15.00 per hour within New York state).

6 Charging for Customer Walkouts

Waiters are often forced to use their tip money to pay the bill for customers who “dine and dash.”

8 Breakage Charges

Many restaurants unlawfully charge their waiter and waitresses for breakage of plates or glassware by taking money out of their tips.

8 Uniform Maintenance

Some establishments unlawfully require the waitstaff to purchase and/or launder their uniforms without being repaid for these costs.

9 Misappropriation of “Service Charge”

Many New York restaurants retain the “service charge” or the fixed gratuity charged to customers, even though the customers are led to believe this charge is a tip that will be given to the waitstaff. This is a violation of New York’s Hospitality Wage Order.

10 Spread-of-Hours Pay

New York restaurants frequently ignore the requirement in the New York Labor Law that they provide their workers an extra hour of pay (ranging from \$11.10 to \$15.00 per hour within New York state) when their work day exceeds ten hours.