

**5200.0080 GRATUITIES/TIPS CREDITS.**

Subpart 1. [Repealed, 11 SR 1740]

Subp. 2. [Repealed, L 2010 c 280 s 41]

Subp. 3. [Repealed, L 2010 c 280 s 41]

Subp. 4. **Tip pooling or sharing of gratuities.** Pooling or sharing of gratuities may not be a condition of employment. An indirect service employee who benefits because the recipient shares the gratuity with him or her shall not have the remuneration considered in the calculation of his or her wages.

Subp. 4a. **Obligatory charges.** For purposes of Minnesota Statutes, section 177.23, subdivision 9, obligatory charges which might reasonably be construed by the guest, customer, or patron as a sum to be given to an employee as payment for personal services rendered, include, but are not limited to, service charges, tips, gratuities, and/or surcharges which are included in the statement of charges given to the customer.

Subp. 4b. **Clear and conspicuous notice.** For purposes of Minnesota Statutes, section 177.23, subdivision 9, clear and conspicuous notice that the obligatory charge is not a gratuity is notice clearly printed, stamped, or written in bold type on the menu, placard, the front of the statement of charges, or other printed material given to the customer. Type which is at least 18 point (one-fourth inch) on the placard, or 9 point (one-eighth inch) or larger on all other notices is clear and conspicuous.

Subp. 5. [Repealed, 11 SR 1740]

Subp. 6. **Direct service employee.** A "direct service employee" is one who in a given situation performs direct service for a customer and is to be considered a tipped employee. An indirect service employee is a person who assists a direct service employee, these include, but are not limited to, bus people, dishwashers, cooks, or hosts.

Subp. 7. **Credit cards or charges.** Gratuities presented to a direct service employee via inclusion on a charge or credit card shall be credited to that pay period in which they are received by the direct service employee and for which they appear on the direct service employee's tip statement.

Where a tip is given by a customer through a credit or charge card, the full amount of tip must be allowed the direct service employee minus only the percentage deducted from the tip in the same ratio as the percentage deducted from the total bill by the service company.

Subp. 8. **Divided gratuities.** When more than one direct service employee provides direct service to a customer or customers in a given situation such as banquets, cocktail and food service combinations, or other combinations, money presented by customers, guests, or patrons as a gratuity and divided among the direct service employees is not a violation of Minnesota Statutes, section 177.24, subdivision 3.

Subp. 9. [Repealed, 11 SR 1740]

**Statutory Authority:** *MS s 177.28; 181A.12*

**History:** *11 SR 1740; L 2010 c 280 s 41; L 2011 c 76 art 1 sec 71,77*

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