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OHIO MINIMUM WAGE TO INCREASE IN 2017

Ohio's minimum wage is scheduled to increase on January 1, 2017, to \$8.15 per hour for non-tipped employees and \$4.08 per hour for tipped employees. The minimum wage will apply to employees of businesses with annual gross receipts of more than \$299,000 per year.

The current 2016 Ohio minimum wage is \$8.10 per hour for non-tipped employees and \$4.05 for tipped employees. The 2016 Ohio minimum wage also applies to employees of businesses with annual gross receipts of more than \$297,000 per year.

The Constitutional Amendment (II-34a) passed by Ohio voters in November 2006 states that Ohio's minimum wage shall increase on January 1 of each year by the rate of inflation. The state minimum wage is tied to the Consumer Price Index (CPI-W) for urban wage earners and clerical workers for the 12-month period prior to September. This CPI-W index increased by 0.7 percent over the twelve-month period from September 1, 2015, to August 31, 2016. The Constitutional Amendment states that the minimum wage level shall increase at the rate of inflation. The Constitutional Amendment is available online.

For employees at smaller companies with annual gross receipts of \$299,000 or less per year after January 1, 2017, and for 14- and 15-year-olds, the state minimum wage is \$7.25 per hour. For these employees, the state wage is tied to the federal minimum wage of \$7.25 per hour, which requires an act of Congress and the President's signature to change.

Employers can access the <u>2017 Minimum Wage poster</u> for display in their places of business from the Department's website.