

New Florida Laws on Minimum Wage and Independent Contractors in Effect This Fall

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Florida employers should be prepared to comply with important changes to the minimum wage and the requirement to report the use of independent contractors.

Minimum Wage Increase

Florida's hourly minimum wage rate (currently, \$8.56) will increase to \$10.00 on September 30, 2021. The minimum wage then will increase by \$1.00 each year until it reaches \$15.00 an hour in 2026.

The minimum wage rate applies to all public and private sector employers, regardless of size or number of employees.

This increase was the result of Amendment 2, passed on November 3, 2020, by over 60 percent of Florida voters, amending Florida's Constitution.

Florida employers may continue to take a tip credit of up to \$3.02 per hour for properly classified tipped employees meeting the eligibility requirements under the Fair Labor Standards Act, as Amendment 2 did not change the allowable tip credit. Thus, the minimum cash wage rate for eligible tipped employees will increase to \$6.98 per hour on September 30, 2021. See our article, [Florida Voters Approve \\$15 Minimum Wage](#), for more detail on Amendment 2.

[Updated Florida Minimum Wage Posters](#) are available from the Florida Department of Economic Opportunity's website.

Report Independent Contractors to Revenue Department

A new law in effect on October 1, 2021, requires Florida employers to report newly retained independent contractors in the same manner as new employees to the Florida Department of Revenue's State Directory of New Hires. This requirement was a component of Senate Bill 1532, which updated state family law. The goal of the new reporting requirement is to increase child support collections.

The law requires a service recipient to report to the Florida Department of Revenue's State Directory of New Hires any newly engaged non-employee to whom the service recipient pays more than \$600 in a calendar year for services performed by the individual in the course of the service recipient's trade or business. Previously, the law required only that employers report newly hired *employees* to the State Directory of New Hires, while reporting independent contractors was optional.

To comply with the law, employers must report: the independent contractor's name; address; Social Security number (or other identifying number assigned under Section 6109 of the Internal Revenue Code); the date services for payment were first performed by the individual; and the name, address, and employer identification number of the service recipient. The information may be submitted on the same [Florida New Hire](#)

[Reporting Center website](#) as is used for employees. This information must be submitted within 20 days after the first payment to the independent contractor or on the date the business and independent contractor entered into the contract, whichever is earlier.

Employers should consider updating their onboarding procedures and reporting schedules to ensure compliance with this reporting requirement. While there is no indication in the law that the Florida Department of Revenue will use this information for auditing purposes or share it with other agencies, this would also be a good time for employers to review worker classifications to ensure independent contractors are properly classified.

If you have questions about either of these new rules, or other workplace law developments, please contact the Jackson Lewis attorney with whom you regularly work.

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