



## Adjustments to 2023 Tax Rate Calculation

As a result of legislation passed in 2021, tax rates effective January 1, 2023, will exclude benefit charges from the second, third, and fourth quarters of 2020, as well as all benefit charges paid as a direct result of a government order to close or reduce capacity of a business due to COVID-19, as determined by the Florida Department of Economic Opportunity.

The tax rate calculation for 2023 will also exclude the application of the positive adjustment factor. This factor normally increases rates if the Unemployment Compensation Fund balance is below a certain amount. These changes resulted in a lower tax rate for many employers.

## Florida's Minimum Wage

Effective September 30, 2022, through September 29, 2023, the Florida minimum wage is \$11.00 per hour. On November 3, 2020, Florida voters approved a constitutional amendment to gradually increase the state's minimum wage each year until reaching \$15.00 per hour in September 2026. On September 30, 2022, Florida's minimum wage increased to \$11.00 per hour. Each year thereafter, Florida's minimum wage will increase by \$1.00 until the minimum wage reaches \$15.00 per hour on September 30, 2026. Resuming in 2027, the minimum wage will be adjusted annually for inflation.

Employers must pay their employees the hourly state minimum wage for all hours worked in Florida. The definitions of employer, employee, and wage, for state purposes, are the same as those established under the federal Fair Labor Standards Act (FLSA) and its implementing regulations.

Employers of tipped employees, who meet eligibility requirements for the tip credit under the FLSA, may credit towards satisfaction of the minimum wage tips up to the amount of the allowable FLSA tip credit of 2003. However, the employer must pay tipped employees a direct wage. The direct wage is calculated as equal to the minimum wage (\$11.00) minus the 2003 tip credit (\$3.02), or a direct hourly wage of \$7.98 as of September 30, 2022.

For more information, or to download a copy of the Florida Minimum Wage poster, visit the Florida Department of Economic Opportunity's website at:

**<https://www.floridajobs.org/business-growth-and-partnerships/for-employers/display-posters-and-required-notice>**

The Federal Minimum Wage poster may be downloaded from the U.S. Department of Labor website at:

**[dol.gov/agencies/whd/posters/flsa](https://www.dol.gov/agencies/whd/posters/flsa)**

## Is Your Worker an Employee or an Independent Contractor?

For help determining whether a worker is an employee or an independent contractor, visit the Florida Department of Revenue's reemployment tax webpage at **[floridarevenue.com/taxes/rt](https://www.floridarevenue.com/taxes/rt)**. When you open the webpage, select the "Who is considered an employee?" section for definitions to help you classify workers correctly.