

FACT SHEET



New paystub law: facts for workers

New Virginia Law: As of March 10, 2020, Virginia employers must provide paystubs to employees (except agricultural workers), on “each regular pay date” showing their rate of pay, number of hours worked, gross wages earned, amount and purpose of any deductions and the employer’s name and address. Receiving a paystub or an online accounting with this information shows workers how they are paid, and is essential for filing taxes.

What about salaried workers? Salaried workers must get a paystub as well, but for workers who are paid salaries and are exempt from overtime, the paystub does not have to reflect all hours worked. However, most “white collar” workers who earn less than \$35,568 per year in salary for full-time work are eligible for overtime and their paystub must show how many hours were worked.

New salary threshold for certain exempt employees: The Fair Labor Standards Act (FLSA) requires that most workers be paid time-and-a-half for hours worked over 40 per week except for workers who are exempt from overtime. The FLSA applies to businesses with more than \$500,000 in annual revenue or businesses involved in interstate commerce. There are a few types of workers that are either exempt from overtime or both minimum wage and overtime. One of the largest categories of exemptions is the exemption for executive, administrative and professional employees, the so-called “white collar” employees. These employees often receive salaries.

The FLSA has a minimum salary threshold for these white-collar exemptions. If the worker is paid less than the threshold, he/she is eligible for overtime (and is not exempt). On January 1, 2020, the minimum salary level for white-collar workers was raised from \$23,000 per year (\$455 per week) to \$35,568 per year (\$684 per week). This means if you are a salaried executive, administrative or professional employee and earn less than \$35,568 per year, you are eligible for the overtime premium for hours worked above forty and your paystub must show how many hours you worked.

What if you don’t get a paystub? Unless you are an agricultural worker, your employer must provide you with a paystub. Some employers may not be familiar with this new requirement. Feel free to share this factsheet with your employer

If your employer has not provided a paystub in the past, the employer may need to arrange for a payroll service or a paystub program. The employer can still write a check by hand but must also give you a sheet that provides your rate of pay, number of hours worked, gross wages earned, amount and purpose of any deductions and the employer’s name and address. This information can also be provided to you online if you are told how to access the information.

Review your paystub regularly. Make sure you are being paid the rate you are supposed to, that you are paid for all your hours and that the deductions are legal ones. If you are concerned, keep separate records so you can check the accuracy of your paystub.