

CHAMBER DAY 2019

ILLINOIS MINIMUM WAGE SCHEDULE

Full- Time Schedule	Under 18 Part-Time
Current \$8.25	Current \$7.75
January 1, 2020 \$9.25	January 1, 2020 \$8.00
July 1, 2020 \$10.00	
January 1, 2021 \$11.00	January 1, 2021 \$8.50
January 1, 2022 \$12.00	January 1, 2022 \$9.25
January 1, 2023 \$13.00	January 1, 2023 \$10.50
January 1, 2024 \$14.00	January 1, 2024 \$12.00
January 1, 2025 \$15.00	January 1, 2025 \$13.00

Under the new state minimum wage law, the minimum wage will increase to \$9.25 per hour on January 1, 2020, with continued increases through 2025 when the minimum wage would top out at \$15. Note that the new Illinois law is a minimum wage floor. If your local minimum wage is higher, you must abide by the higher minimum wage.

Part-Time employees who are under 18 years of age and work less than 650 hours in a year, fall under a separate minimum wage schedule starting at \$8.00 on January 1, 2020, and increasing to \$13.00 on January 1, 2025. Any employee, regardless of age, who works more than 650 hours a year falls under the full-time schedule.

There are no changes to the Illinois Tip Law. The 60/40 rule remains but total hourly earnings cannot be less than the new minimum wage.

SMALL BUSINESS PAYROLL TAX CREDIT

Businesses with 50 or fewer full-time employees can take advantage of a payroll tax credit. For employers with 6-50 employees, the tax credit is available through 2027. Employers with five or fewer employees can use the tax credit for the next eight years. The tax credit is a percentage of the amount of state income taxes withheld from employees. To be eligible for tax credit,

Calendar Year 2020	25% Credit
Calendar Year 2021	21% Credit
Calendar Year 2022	17% Credit
Calendar Year 2023	13% Credit
Calendar Year 2024	9% Credit
Calendar Year 2025	5% Credit
Calendar Year 2026	5% Credit
Calendar Year 2027	5% Credit