



FUBA issues

OUR BUSINESS IS SMALL BUSINESS

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FLORIDA'S MINIMUM WAGE WILL INCREASE TO \$6.67 ON 1/1/07 – YOUR NEW POSTER IS ENCLOSED

The current Florida minimum wage for calendar year 2006 is \$6.40 per hour and \$3.38 for tipped employees. The amount of Florida's minimum wage changes each year in September and takes effect the following January. **The new Florida minimum wage for calendar year 2007 will be \$6.67 per hour and \$3.65 for tipped employees.**

Starting January 1st, all Florida businesses will have to display a new Florida minimum wage poster in a conspicuous and accessible place where employees can see it.

As a benefit of your FUBA membership, FUBA has **enclosed a FREE minimum wage poster** for your business. Do not be fooled by poster companies soliciting posters for a high price. As part of our member services, FUBA makes sure you are aware of all new poster requirements so you do not have to pay outrageous prices for employment posters. This new poster contains specific language outlining the duty of employers to pay the minimum wage, employee rights, and the penalties for not complying with Florida's minimum wage law.

Simply display this new poster next to your all-in-one poster FUBA gave you when you first joined, and you will be in full compliance with the new poster requirement.

If you have questions about Florida's new minimum wage posting requirement or would like extra

copies, please call Cameron at the FUBA offices at 800-262-4483 or email Culrich@fuba.org. The price is \$5 each, plus state sales tax and shipping and handling.

IMPORTANT FACTS ABOUT HOW TO HANDLE OVERTIME PAY AND VACATION TIME DURING THE HOLIDAY SEASON

Here is what you need to know about your rights and responsibilities for paying your employees during weeks with paid holidays.

- First, there is no federal or Florida law that requires an employer to provide paid vacation or sick time to employees.
- Employers are only obligated to pay their employees for hours they are actually at work. You do not have to pay employees if your business is closed for a holiday (i.e., Christmas day).
- Employers are not required to pay extra to those workers who have to work on a holiday; i.e., there is no law requiring "holiday pay" of time and half for those employees working on a holiday.
- Unless they meet one of the federal exemptions from overtime pay, employees who work more than 40 hours in one workweek must be paid one and one-half times their regular rate of pay for each hour worked over 40. There is no limit to the number of hours an employee older than 16 may work in any workweek.

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- Overtime is only calculated on the hours an employee actually works. If an employee is paid but is not actually working (for example, a paid holiday, paid sick leave, etc.), that time is not counted as time at work.
- If your business is closed on a holiday and you pay your employees as if they had worked that day, those employees can work up to 40 hours on the remaining days of the week and not receive overtime. The 8 hours of the holiday do not count as work, since the employees were given the day off and were not at work.
- Overtime must be paid in the same pay period it is earned.

Please call FUBA at 800-262-4483 or email Cameron at Culrich@fuba.org if you have a wage and hour question.

GOOD NEWS FOR FLORIDA EMPLOYERS: WORKERS' COMP RATES GOING DOWN FOR 4TH CONSECUTIVE YEAR

The Office of Insurance Regulation has announced that the rates Florida businesses pay for workers' compensation insurance will be reduced an average of 15.7% effective January 1st. This rate decrease is the fourth consecutive rate decrease for workers' compensation, and the cumulative rate decrease for the last four years is over 40%. State officials attribute the rate decrease to their increased efforts in fighting insurance fraud and the fact that the number of workers' comp claims is going down.

The new lower rates will be applied to new workers' comp policies issued January 1st. If you are insured through FUBA Workers' Comp (the Florida Citrus, Business & Industries Fund), the lower rates will be applied to your renewal policy effective April 1st.

As a reminder, your workers' comp premium is determined by multiplying your payroll by the

specific rate for your job classification. The rate for your particular business may not go down by exactly 15.7%; this figure is an average rate reduction for all job classes in the state of Florida. The rate reduction for your individual business may be higher or lower.

If you have any questions about the new rates and how they apply to your workers' comp policy, you can call your local insurance agent or your workers' compensation carrier. If you are insured with us, please call 888-262-4483.

NO INTANGIBLE TAX FOR 2007

Beginning January 1st, the state intangible tax has been repealed. Previously, Florida residents and businesses were required to pay this tax each year on the current market value each January of their intangible personal property (i.e., stocks, bonds, etc.). This tax has been repealed; therefore, this tax will no longer be assessed.

However, the repeal does not include:

- The **nonrecurring** tax on a note, bond or other obligation for payment of money that is secured by a mortgage, deed, or other lien on real property. Taxpayers who are lending money secured by mortgage on Florida real property still must pay the nonrecurring intangible tax.
- The **recurring** tax on real property owned by a government and leased to a non-government entity when rental payments are due. Taxpayers who lease property from a government entity must still file and pay the governmental leasehold intangible tax annually if the amount of tax owed before discount is \$60 or more.

If you have questions about the intangible tax, consult your local tax professional. Or, you can contact the Florida Department of Revenue's Taxpayer Services at 800-352-3671 or on the Internet at www.myflorida.com/dor.