



# KELLER AND HECKMAN LLP WAGE HOUR REVISIONS

## NEW OVERTIME EXEMPTION

*Keller and Heckman LLP*  
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### OLD RULE

#### SALARY LEVEL TEST

- Salary Level = \$250/wk

#### SALARY BASIS TEST

- Paid predetermined amt.
- Pay not reduced for quality or quantity

#### JOB DUTIES TEST

- 80% of duties must be exempt
- The specific duties depend on the exemption being sought, e.g. administrative exemption, executive exemption, professional exemption.

#### IMPROPER DEDUCTIONS

- Could negate or destroy exemption, employer may have to pay overtime for that employee and all similarly positioned employees for as much as three years back.

### NEW RULE

#### SALARY LEVEL TEST

- Salary Level = \$ 455/wk

#### SALARY BASIS TEST

- Same

#### JOB DUTIES TEST

- “Primary duty” generally 50%, but looks at totality of factors

#### IMPROPER DEDUCTIONS

- If isolated, just reimburse employee
- Else it results in loss of exempt status for the time period improper deductions were made for all employees with same job, same manager.

