Tip Sharing legislation

• “Tip Sharing” is where the server in a restaurant “shares” a portion of their tips with other employees who help them provide the service to guests, such as bartenders, bussers, food runners, etc.

• None of this money goes to restaurant or bar or to management or supervisory staff.

• The majority of the tip remains with the server (or servers, in the case of large groups)

• Different than “Tip Credit,” – an entirely different issue

• Federal law allows tip sharing

• Current Wyoming law allows tipped employees to set up and participate in a voluntary tip sharing arrangement. The employer has no involvement in the process, which is a problem because the employer is also responsible to the IRS for the servers and bus people accurately reporting tips.

• This legislation would eliminate the state law and leave tip sharing covered by federal law, which is more realistic for today’s servers and managers.

• Servers must still be paid minimum wage during their pay period, which is a combination of the cash wage and the applicable tip credit AFTER they share tips.