



**MINIMUM WAGE ORDINANCE (MWO) SMALL BUSINESS DEFERRAL ELIGIBILITY WORKSHEET
FOR EMPLOYERS WITH 25 OR FEWER EMPLOYEES**



Employers with 25 or fewer Employees may use this worksheet to help assess their eligibility as a small business for purposes of the MWO deferral. Los Angeles Municipal Code (LAMC) Section 187.02, the Minimum Wage Ordinance (MWO), allows Employers with twenty-five (25) or fewer Employees to pay wages and sick time benefits at the deferred schedule. An Employee is any individual who, in any particular week, performs at least two (2) hours of work within the geographic boundaries of the City of Los Angeles for any Employer. Please refer to California Labor Code Section 1182.12, specifically Subsection (b)(4), to assist in determining whether the twenty-five (25) or fewer threshold is met. In the event of an audit, payroll records, timesheets, DE9s, DE9Cs, and other documents to substantiate the Employer's small business deferral eligibility shall be requested. Failure or refusal to provide such information is grounds for disqualification from the deferred schedule and may subject the Employer to applicable restitution, penalties, and administrative fines. If you have any questions or concerns completing this worksheet, please contact the OWS at 1-844-WAGESLA (924-3752) or email wagesla@lacity.org.

The worksheet is designed for use as a tool only and does not guarantee qualification for the deferred schedule. DO NOT submit this worksheet unless requested by the Office of Wage Standards (OWS) but retain it for your records with supporting documents.

The MWO deferral for a small business does not exempt an Employer from complying with any and all federal, state, or local laws and regulations, including any applicable higher federal or state minimum wage requirement.

It is the Employer's responsibility to ensure that the Employer is in compliance with any such laws and regulations.

SECTION I: EMPLOYER INFORMATION

- 1a. Company Name: _____ 1b. Date Completing This Worksheet: _____
 1c. Name of Person Completing This Worksheet: _____ 1d. Title: _____
 1e. Has this business operated **PRIOR TO CALENDAR YEAR 2016**? **YES, fill out Section II.** **NO, skip to Section III.**

SECTION II. EXISTING BUSINESS: For existing companies in operation before January 1, 2016, the small business deferral eligibility shall be determined by the number of Employees employed during calendar year 2015.

2a. Check **ONE** pay period schedule that applies to you and provide the number of Employees employed each pay period in the corresponding table.

Weekly

| | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|-------|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | TOTAL | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 27 | 28 | 29 | 30 | 31 | 32 | 33 | 34 | 35 | 36 | 37 | 38 | 39 | 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 | 52 | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Semi-monthly (24 pay periods/year)

Bi-weekly (26 pay periods/year)

| | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|-------|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | TOTAL | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Monthly

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|----|----|----|-------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | TOTAL |
| | | | | | | | | | | | | |

2b. Based on answers provided in Section II, enter total number of Employees employed during calendar year 2015: _____

2c. Enter the number of pay periods in operation with at least one Employee: _____

2d. Divide 2b by 2c: _____

2e. Is 2d equal to or less than twenty-five (25)?

- Yes (Based on your responses, you appear to meet the qualifications for the small business deferral under LAMC Section 187 et seq. Please note this does not constitute an approval by the City and documentation may be required as deemed necessary by the City.)
- No (Your business is **NOT ELIGIBLE for a deferral** under this eligibility criteria. You must comply with the minimum wage rate schedule for Employers with 26 or more Employees.)

SECTION III. NEW BUSINESS: For new companies that commenced business on or after January 1, 2016, the small business deferral eligibility shall be determined by the number of Employees employed during the first pay period.

3a. Provide the first pay period term: ____ / ____ / ____ to ____ / ____ / ____

3b. Enter the total number of Employees employed during 3a: _____

3c. Is 3b equal to or less than twenty-five (25)?

- Yes (Based on your responses, you appear to meet the qualifications for the small business deferral under LAMC Section 187 et seq. Please note this does not constitute an approval by the City and documentation may be required as deemed necessary by the City.)
- No (Your business is **NOT ELIGIBLE for a deferral** under this eligibility criteria. You must comply with the minimum wage rate schedule for Employers with 26 or more Employees.)