

Workplace Wisdom: New Labor Law Expands the Scope of Permissible Wage Deductions

November 21, 2012 | **CLIENT ALERTS**

New York's most recent amendment to the Labor Law can benefit both employers and employees. Effective tomorrow, **November 6, 2012**, employers can take advantage of a recently signed law that amends New York Labor Law section 193 by expanding the scope of lawful wage deductions.

Traditionally, this section of the Labor Law has been narrowly construed by the state Department of Labor to prohibit many wage deductions. However, now employers will be able to make deductions with an employee's written authorization for such items as discounted parking or mass transit expenses, gym membership dues, certain child care expenses, and cafeteria, vending machine, and pharmacy purchases at the employer's place of business.

This law will expire in three years in the absence of legislative action to renew it. Amy Habib Rittling or Vinny Miranda are available to discuss the full list of permissible deductions or for questions about the amendment's effect on the recovery of the overpayment of wages.

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