

1 AN ACT concerning employment.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Wage Payment and Collection Act is
5 amended by adding Section 4.1 as follows:

6 (820 ILCS 115/4.1 new)

7 Sec. 4.1. Gratuities.

8 (a) Gratuities to employees are the property of the
9 employees and employers shall not keep gratuities. Failure to
10 pay gratuities owed to an employee more than 13 days after the
11 end of the pay period in which such gratuities were earned
12 constitutes a violation of this Act.

13 (b) This Section does not prohibit an employer from
14 withholding from gratuities paid by credit card a proportionate
15 amount of any credit card processing fees that the employer
16 must pay in connection with the transaction, provided that the
17 amount withheld does not exceed the proportion of the amount of
18 the tip to the amount of the overall bill, regardless of
19 whether the overall bill was paid using a credit card. This
20 Section does not prohibit tip pooling as permitted by law. This
21 Section does not affect an employer's entitlement to an
22 allowance for gratuities to the extent permitted under
23 subsection (c) of Section 4 of the Minimum Wage Law.