

## Minimum Salary Rate Increases for California Computer Software Professional Exemption Announced

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*The required compensation levels for employees exempt from overtime rate of pay requirements under the California computer software professional exemption will increase by 2.2 percent from current levels beginning January 1, 2015, the California Department of Industrial Relations (DIR) has announced.*

This means that the minimum *hourly* rate of pay necessary to qualify for the exemption will increase from \$40.38 to \$41.27; the minimum *monthly* salary will increase from \$7,010.88 to \$7,165.12; and the minimum *annual* salary will increase from \$84,130.53 to \$85,981.40. Employers are reminded that in addition to the salary requirement, California employees also must meet a stringent duties test to qualify for the exemption.

Jackson Lewis attorneys are available to answer questions about this and other exemptions available under federal and California laws and assist in assessing whether employees are correctly classified as exempt or non-exempt for overtime purposes.

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Jamerson C. Allen