

STATE OF NEVADA

JOE LOMBARDO
Governor



DR. KRISTOPHER SANCHEZ
Director

BRETT K. HARRIS, ESQ.
Labor Commissioner

DEPARTMENT OF BUSINESS AND INDUSTRY
OFFICE OF THE LABOR COMMISSIONER

July 7, 2025

Via Email and U.S. Mail

Jen Serio
Las Vegas Mini Grand Prix
1401 North Rainbow Blvd.
Las Vegas, NV 89108

Re: Request for Advisory Opinion—Voluntary Payroll Deductions for Employee Food Purchases

Dear Ms. Serio,

Pursuant to Nevada Administrative Code (“NAC”) Section 607.650, an Advisory Opinion has been requested clarifying whether voluntary payroll deductions are permitted under Nevada wage and hour laws.

FACTS PRESENTED

In your Request for Advisory Opinion, you presented the following facts:

At our business, we offer an optional program that allows employees to purchase meals and snacks at a discounted rate during their shifts. These purchases are solely for the employee’s benefit and convenience and are not required or initiated by the employer. Each transaction is documented in a physical logbook, where employees record the item and sign to authorize the payroll deduction. On their wage statements, the total amount of these food purchases is shown as a single, consolidated deduction line; individual purchases are not itemized on the pay stub.

We briefly paused the program during a point-of-sale software transition, but several employees actively requested that we bring it back, citing its affordability and convenience. We reinstated it based on that employee feedback.

We understand that:

- **NRS 608.110** permits deductions when authorized in writing by the employee;
- **NRS 608.250** requires payment of the applicable minimum wage; and
- **Federal law (29 CFR § 531.35)** permits certain voluntary deductions for the employee's benefit, even if they reduce net pay, so long as the employer has paid at least the full minimum wage in gross wages and the deduction is not for the employer's benefit.

ADVISORY OPINION REQUEST

Specifically, in your Request for Advisory Opinion you ask the following:

1. Does Nevada law permit voluntary, written payroll deductions for food purchases that are for the employee's benefit, even if they reduce **net pay** below the minimum wage for the pay period?
2. Are there any additional Nevada-specific restrictions (beyond NRS 608.110 and 608.250) that would prohibit such deductions under the conditions described?
3. Would our current process be considered compliant if:
 - a. Each purchase is authorized via employee signature in a logbook;
 - b. The total deduction is reflected as a single line item on the wage statement;
 - c. Gross wages for the period meet or exceed the applicable minimum wage?

LEGAL AUTHORITY

NRS 608.110 Withholding of portion of wages.

1. This chapter does not preclude the withholding from the wages or compensation of any employee of any dues, rates or assessments becoming due to any hospital association or to any relief, savings or other department or association maintained by the employer or employees for the benefit of the employees, or other deductions authorized by written order of an employee.

2. At the time of payment of wages or compensation, the employer shall furnish the employee with an itemized list showing the respective deductions made from the total amount of wages or compensation.

3. Except as otherwise provided by an agreement between the employer and employee, any employer who withholds money from the wages or compensation of an employee for deposit in a financial institution shall deposit the money in the designated financial institution within 5 working days after the day on which the wages or compensation from which it was withheld is paid to the employee.

NAC 608.160 Withholding of amounts from wages due. ([NRS 607.160](#), [608.110](#))

1. Without the written authorization of an employee, an employer may withhold from the wages due the employee:

- (a) Any amount required by law; and

(b) Any employee contribution to a benefit program, such as health insurance or a pension plan, as permitted pursuant to [NRS 608.110](#).

2. Except as otherwise provided in subsection 1, an employer may not deduct any amount from the wages due an employee unless:

(a) The employer has a reasonable basis to believe that the employee is responsible for the amount being deducted by the employer;

(b) The deduction is for a specific purpose, pay period and amount; and

(c) The employee voluntarily authorizes the employer, in writing, to deduct the amount from the wages.

3. An employer may not use a blanket authorization that was made in advance by the employee to withhold any amount from the wages due the employee.

In November of 2022, Nevada Ballot Question 2 passed eliminating the two-tier minimum wage. As of July 1, 2024, the minimum wage rate is \$12.00 per hour.

Pursuant to Article 15, Section 16(a) of the Constitution of the State of Nevada and Assembly Bill (AB) 456 passed in 2019 during the 80th regular session of the Nevada Legislature, the minimum wage rate of \$12.00 per hour shall apply to all employees in the state of Nevada unless otherwise exempted. This rate is effective as of July 1, 2024, and applies to all employees regardless of if employees are offered employer health benefits or not.

ANALYSIS

1. Does Nevada law permit voluntary, written payroll deductions for food purchases that are for the employee's benefit, even if they reduce **net pay** below the minimum wage for the pay period?

NRS 608.110(1) permits certain withholdings from employees' wages. "This chapter does not preclude the withholding from the wages or compensation of any employee of any dues, rates or assessments becoming due to any hospital association or to any relief, savings or other department or association maintained by the employer or employees for the benefit of the employees, or other deductions authorized by written order of an employee." Thus, food purchases could fall into the category of "other deductions". NRS 608.110 does not address a certain amount of net pay as being required after such deductions are made from an employee's wages.

NAC 608.160 further addresses withholdings of amounts from wages due. Again, there is no mention of a certain amount of net pay as being required after such deductions are made from an employee's wage. However, employers need to ensure that the voluntary deduction agreement is compliant with Nevada labor laws. All criteria must be met: the deduction agreement to withhold wages must be signed voluntarily by the employee; must not be a blanket authorization made in advance; must include the specific purpose, pay period and amount; and the employer must have a reasonable basis to believe the employee signing the deduction agreement is responsible for the amount that will be deducted from the wages.

NRS 608.110 and NAC 608.160 are silent regarding the issue of maintaining a specific net pay amount after deducting voluntary deductions. Employers in Nevada are subject to both Nevada labor laws and Federal laws. In this Request for Advisory Opinion, you assert Federal law 29 CFR §§ 531.35 "permits certain voluntary deductions for the employee's benefit, even if they reduce net pay, so long as the employer has paid at least the full minimum wage in gross wages and the deduction is for the employer's benefit." Although the Office of the Labor Commissioner does not

regulate Federal labor laws, employers must still ensure proper compliance with Federal requirements as necessary. The Labor Commissioner recommends you refer to the U.S. Department of Labor for further guidance.

2. Are there any additional Nevada-specific restrictions (beyond NRS 608.110 and 608.250) that would prohibit such deductions under the conditions described?

NRS 608.110 does not preclude voluntary deductions from being made to an employee's wages if all criteria have been met pursuant to the statute and applicable administrative code. NRS 608.250 does not address voluntary deductions and does not contain language related to maintaining a certain amount of net pay after such deductions are made from an employee's wage. No other Nevada-specific restrictions are found within Chapter 608 related to this matter.

Additionally, with the passage of Article 15, Section 16(a) of the Constitution of the State of Nevada and Assembly Bill (AB) 456 passed in 2019 during the 80th regular session of the Nevada Legislature, the new minimum wage rate has been established at \$12.00 per hour for all employees in the state of Nevada, unless otherwise exempted. Nevada's \$12.00 per hour minimum wage became effective July 1, 2024, to all employees regardless of whether the employer offers health benefits. Likewise, this change does not preclude voluntary deductions from being made to an employee's wages if all criteria have been met pursuant to the statute and applicable administrative code. In addition, this change in the minimum wage requirements did not address voluntary deductions and did not contain language related to maintaining a certain amount of net pay after such deductions are made from an employee's wages.

3. Would our current process be considered compliant if:
 - a. Each purchase is authorized via employee signature in a logbook;
 - b. The total deduction is reflected as a single line item on the wage statement;
 - c. Gross wages for the period meet or exceed the applicable minimum wage?

No, your current process would **not** be considered compliant with Nevada labor laws.

1. NRS 608.110 and NAC 608.160 clearly requires: the employee to voluntarily sign a deduction agreement to withhold wages; must not be a blanket authorization made in advance; must include the specific purpose, pay period and amount; and the employer must have a reasonable basis to believe the employee signing the deduction agreement is responsible for the amount that will be deducted from the wages.
2. The fact that an employee signs a logbook to confirm a purchase and the total deduction is reflected in a single line item on the wage statement does not meet the requirements as specified in NRS 608.110 and NAC 608.160 as stated above.
3. Gross wages for the period that meet or exceed the applicable minimum wage are compliant with Nevada labor laws. It is important to note: employees who are paid at a higher established rate must be paid at their established rate of pay.

Please be advised that this Advisory Opinion is limited to the specific facts and circumstances described herein. The Office of the Labor Commissioner may revisit this issue

through the Administrative Rulemaking Process. Please be further advised that subsequent statutory or administrative rule changes or judicial interpretation of the statutes or rules upon which any opinion is based may require that this Advisory Opinion be modified or abandoned. Should you need additional clarification, please do not hesitate to contact our office at (702) 486-2650.

Sincerely,

A handwritten signature in black ink, appearing to read "Brett K. Harris", with a stylized flourish at the end.

Brett K. Harris, Esq.
Labor Commissioner