



# TTAA Legislative & Regulatory Update

May 20, 2024



## **TTAA Signs Letter Requesting DOL Extend the First Increase to the Minimum Salary Threshold Under New Overtime Rule to at Least September 1**

Dear Administrator Looman,

All the 87 undersigned organizations of the Partnership to Protect Workplace Opportunity (PPWO) write to request the Wage and Hour Division (WHD) extend the implementation date of the first increase to the minimum salary threshold under its new final rule altering the overtime regulations under the Fair Labor Standards Act (FLSA), published in the Federal Register on April 26, 2024 (29 CFR 541).

TTAA is part of a coalition of a diverse group of associations, businesses, and other stakeholders representing employers with millions of employees across the country in almost every industry.

TTAA's members believe that employees and employers alike are best served with a system that promotes maximum flexibility in structuring employee hours, career advancement opportunities for employees, and clarity for employers when classifying employees.

WHD's new rulemaking implements two increases to the minimum salary threshold under which all workers must be paid overtime. The first phase increases the minimum salary threshold from the current \$35,568 to \$43,888. This increase is currently set to go into effect on July 1, 2024.

WHD is providing the regulated community with only two months to analyze the rule, determine what changes to their operations and payrolls will be necessary, explain to the impacted workers how and why their pay, titles, or workplace responsibilities will change, and then implement those changes.

This is an arbitrary and burdensome timeline for the regulated community to meet, especially smaller businesses that do not have the resources to make such changes quickly.

We therefore request the Wage and Hour Division extend the implementation date for this increase to at least September 1, 2024, to allow employers sufficient time to understand the rule, implement the necessary alterations, and inform workers of the changes that will significantly impact them.

All the undersigned organizations urge you to extend the implementation date as quickly as possible to ensure the employer community can adjust to the new rule appropriately.

Sincerely,

TTAA and 87 other business associations

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# Interest Rates Remain the Same for the Third Quarter of 2024

The Internal Revenue Service announced that interest rates will remain the same for the calendar quarter beginning July 1, 2024.

For individuals, the rate for overpayments and underpayments will be 8% per year, compounded daily. Here is a complete list of the new rates:

- 8% for overpayments (payments made in excess of the amount owed), 7% for corporations.
- 5.5% for the portion of a corporate overpayment exceeding \$10,000.
- 8% for underpayments (taxes owed but not fully paid).
- 10% for large corporate underpayments.

Under the Internal Revenue Code, the rate of interest is determined on a quarterly basis. For taxpayers other than corporations, the overpayment and underpayment rate is the federal short-term rate plus 3 percentage points.

Generally, in the case of a corporation, the underpayment rate is the federal short-term rate plus 3 percentage points and the overpayment rate is the federal short-term rate plus 2 percentage points.

The rate for large corporate underpayments is the federal short-term rate plus 5 percentage points. The rate on the portion of a corporate overpayment of tax exceeding \$10,000 for a taxable period is the federal short-term rate plus one-half (0.5) of a percentage point.

The interest rates announced today are computed from the federal short-term rate determined during April 2024. See the revenue ruling for details.

Revenue Ruling 2024-11 announcing the rates of interest will appear in Internal Revenue Bulletin 2024-24, dated June 10, 2024.

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**In observance of Memorial Day, the Legislative Update will resume on 6/3/24.  
We thank all those who have served our country.**

