



WAGE STATEMENT & PAY STUB LAW IN CALIFORNIA

What must appear on a California pay stub, how often wages must be paid, and the penalties employers face for missing or inaccurate wage statements.

This document is a PDF version of the following article:

<https://www.worklawyers.com/wage-statement-pay-stub-law-california/>

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He writes these guides to put the state's labor laws into plain English, in neutral terms, with a citation for every claim.



A **wage statement** (sometimes called a *pay stub*) is a document employers give their employees every pay period that explains how their paycheck was calculated.¹

California has specific laws that govern the information that employees are entitled to receive when they are paid.

Under California law, an employer must give each employee an accurate, itemized wage statement in writing every pay period, showing at least nine categories of information, including gross and net wages, total hours worked, all applicable hourly rates, all deductions, the inclusive pay-period dates, the employee's name and the last four digits of their Social Security number, and the employer's legal name and address.²

The law is designed to allow employees to keep that statement so they will have a wage payment record after they cash their paychecks. This article takes a closer look at California's pay stub laws, and the legal obligations employers must follow when issuing paychecks.

CH. 01

The Required Form of Wage Statements in California

(<https://staging.worklawyers.com/wp-content/uploads/2020/07/sample-california-wage-statement.pdf>)

EMPLOYER
ACME Company, Inc.
123 East First Street
Greenacre, California 91234

EMPLOYEE
Doe, John

SOCIAL SECURITY NUMBER
XXX-XX-1234

PAY RATE
\$20.00 (Regular)
\$30.00 (Overtime)

PAY PERIOD
January 1, 2020 to January 15, 2020

EARNINGS **HOURS** **AMOUNT**

Regular Hours	80.00	\$1,600.00
Overtime	10.60	\$318.00
Gross Wages Earned		\$1,918.00
Deduction Total		\$541.59
Net Wages Paid		\$1,376.41

DEDUCTIONS **AMOUNT**

Federal Income Taxes	\$221.42
FICA Social Security	\$118.92
FICA Medicare	\$27.81
California State Income Taxes	\$101.50
California Disability Insurance	\$14.40
401k Contributions	\$57.54
Total	\$541.59

Total **\$1,376.41**

(<https://staging.worklawyers.com/wp-content/uploads/2020/07/sample-california-wage-statement.pdf>)

California employers have a legal obligation to provide their employees with a *written* wage statement when they pay their employees.³ The law requires wage statements

to be accurate and itemized. The statement must be provided regardless of whether the wages are paid by check, in cash, or by direct deposit.⁴

Wage statements are often included directly above or below a paycheck on perforated paper, so they can be easily detached and stored by the employee. They can also be given to employees as a separate document.⁵

1.1 The Contents of Pay Stubs and Wage Statements

At a minimum, a wage statement or pay stub must include *all* of the following information (if applicable):⁶

-  **Dates.** The wage statement must describe the range of dates that it covers, and must list the date that it was issued.
-  **Gross Pay.** An employee's gross pay is the total amount of the employee's wages before any deductions are made. It includes all pay that California law defines as a wage. The definition of “wage” is explained below.
-  **Total Hours.** Employers must list the total number of hours the employee worked on the pay stub. This information is not required, however, if the employee's compensation is based solely on a salary and the employee is considered “exempt” under California law.⁷
-  **Hourly Rates.** All applicable hourly rates in effect during the pay period must be listed on the wage statement. If the employee worked at varying hourly rates during the pay period (as in the case of a recent raise), the corresponding number of hours worked at each hourly rate must also be included.
-  **Deductions.** All deductions must be separately itemized on an employee's pay stub. We'll take a closer look at common deductions later.
-  **Net Pay.** An employee's net pay is the employee's gross pay, minus all applicable deductions. In essence, it is the amount of the employee's take-home pay.
-  **Personal Information.** The pay stub must contain certain information personally identifying the employee, including the name of the employee and the last four digits of his or her social security number. If the employee does not have a social security number, the pay stub must include the last four digits of the employee's other identification number.

- ■ ■ **Employer's Information.** The employer's name and address must be listed on the pay stub. If the employer is a farm labor contractor,⁸ the wage statement must also provide the name and address of the legal entity that secured the services of the employer.

Separately, California's paid sick leave law requires employers to tell employees how much paid sick leave they have available. That amount must appear either on the itemized wage statement or in a separate writing provided on the designated pay date with the employee's wages.⁹

There are several caveats to these rules, and certain employees are subject to additional requirements. We will take a look at those next.

1.2 The Definition of “Wages”

The employee's wage statement must include their gross pay, which includes all pay that California law defines as a “wage.” California law defines a *wage* as payment for labor performed by an employee.¹⁰ *Labor* in this context means work or services performed for an employer, not just physical labor.¹¹

California's definition of “wage” is interpreted broadly. As such, all forms of compensation for work are wages, including:

- Hourly pay,
- A fixed salary,
- Commissions,
- Piece-rate payments, and
- Payment that varies by project or task.¹²

The term *wages* also includes benefits that an employee receives as a part of his or her compensation, including money, room, board, clothing, vacation pay, and sick pay.¹³

1.3 Itemized Deductions

All deductions must be included on an employee's wage statement or pay stub. The types of deductions can vary, depending on the employee's specific situation, but they commonly include:

-  Federal income taxes;
-  State and local income taxes;
-  FICA taxes, including those for both Social Security and Medicare;¹⁴
-  State disability insurance;
-  Health insurance; and
-  Retirement contributions.

When deductions have been requested by the employee in writing, they can be added together and shown as a single item.¹⁵

Additional Rules for Certain Types of Employees



Some employees are subject to different rules when it comes to their wage statements or pay stubs. These exceptions attempt to account for either the particular way the employee is paid or the nature of the employment relationship.

2.1 Piece-Rate Employees

Some employees are paid by the job, by the task, or by the number of pieces they work on or produce. These types of workers are called *piece-rate employees*. When employees are paid on a piece rate basis, the pay stub must separately include the following information:¹⁶

-  The number of piece-rate units earned; and
-  The applicable piece rate.¹⁷

Piece-rate employees are also entitled to a separate accounting of their pay for time spent doing things unrelated to their primary production duties. Specifically, piece-

rate employees are entitled to be paid *at least* minimum wage for the following activities:¹⁸

 Rest and recovery periods;¹⁹ and

 Nonproductive time.²⁰

Nonproductive time is the time spent by piece-rate employees where they are working under the employer's control, but are engaged in an activity that isn't directly related to their compensation.²¹

Rest and recovery periods must be paid at the higher of the employee's average hourly rate²² or the applicable minimum wage.²³ Other nonproductive time must be paid at no less than the applicable minimum wage.²⁴ In either case, this compensation must be given to piece-rate employees *in addition to* their compensation for piece-rate activities.

The result is that piece-rate employees must be paid extra for their 10-minute rest breaks and their nonproductive time.²⁵ Likewise, if the employee misses a required meal or rest break, they are entitled to one extra hour of pay *per workday* for their missed rest periods and an additional one hour *per workday* for their missed meal breaks.²⁶

Because this type of compensation is paid at a different rate than the employee's regular piece rate, employees are entitled to supplemental information on their pay stub:²⁷

-  The total hours the employee spent in compensable rest and recovery periods;
-  The employee's total hours of compensable nonproductive time in the pay period;
-  The rate at which those hours are paid; *and*
-  The gross wages paid for rest periods, recovery periods, and nonproductive time when such wages are required by California law.²⁸

The amount of *nonproductive* time can be calculated by referencing to actual work records or by using the employer's reasonable estimates.²⁹

2.2 Temporary Service Employers

Temporary service employers are businesses that contract with clients or customers to supply workers to perform certain types of services.³⁰ These are often referred to as *temp agencies* and the workers are often called *temps*.

These businesses need to provide more information to employees because they often work for varying rates during different assignments. Temporary service employers are required to include the rate of pay and the total hours worked for *each* temporary services assignment.³¹

2.3 Home Services Exception

California's wage statement laws generally do *not* apply to people employed by the owners or occupants of residential homes to provide personal services that are connected to the ownership, maintenance, or use of the home. Those services, however, must be unrelated to the owner's or occupant's business.³²

This “home services exception” applies to people who care for children, as well as contractors hired to repair or remodel a residence. That can include plumbers, carpenters, roofers, house painters, and similar workers who, by virtue of California law, might be regarded as employees (rather than independent contractors) of the property owner or occupant who hired them.³³

To learn more about the difference between employees and independent contractors, please review our article: [Independent Contractors vs. Employees: A Guide to California Law](#).

Record Keeping and the Right to Inspect



California law requires employers to keep a copy of employee wage statements. If the statement is computer generated, the “copy” can be another printout of the same statement.³⁴

The employer must keep the copy on file for at least **three years**. The copy must be kept at the employee's place of employment or at a central location within the State of California.³⁵

Current and former employees have a right to inspect and copy their old wage statements. If the employee requests a copy, employers can charge the employee the reasonable cost of providing it.³⁶

Employers must respond to a current or former employee's request to inspect and copy wage statements as soon as possible, but no later than *21 days* after that request is made. This time limit applies regardless of whether the request is oral or in writing.³⁷

How Often Regular Wage Statements Must Be Provided



Wage statements must be provided *at least* semimonthly (twice a month) or each time the employer pays wages.³⁸ Most employers find it easier to provide the pay stub with each wage payment. So it is worth taking a closer look at when the law requires wage payments to be made.

Most employees must be paid at least *twice per month* on dates the employer has designated in advance.³⁹ These dates must be regular, and the employer is required to post a notice that shows the day, time, and location where employees can be paid.⁴⁰

Employers, of course, can choose to pay wages more frequently. But, no matter how often an employer chooses to pay their employees, they must comply with a few important rules:

-  Any wages that are earned between the 1st and 15th day of any month must be paid on or before the 26th of the same month, at the very latest.
-  Any wages earned in last half of the month must be paid on or before the 10th day of the following month.⁴¹

Employers *must* pay their employees even if they do not submit their timecard on time, although the wages will be limited to what the employer reasonably knows they owe.

If a payday falls on a holiday, and the employer's business is closed, then the employer is entitled to pay their employees on the following business day.

There are several exceptions to these rules, which are explained in more detail below. Additionally, because this article is focused on wage statements, it does not address final wages, which are subject to different requirements. For a more detailed discussion of final wage payments, please review our article: [The Law on Late & Unpaid Wages in California](#).

4.1 Overtime and Unusual Hours

Overtime wages can sometimes be more difficult for employers to calculate than other types of wages. The same is true of all wages earned in excess of the normal work that an employee does.

As such, California law permits all wages earned for labor in excess of the normal work period to be paid on the payday for the next regular payroll period.⁴²

4.2 Exempt Employees

Employees who are classified as “exempt” under federal law are subject to slightly different rules.⁴³ An *exempt employee* is someone who occupies a job that is not subject to one or more sets of wage and hour laws.

In most cases, there are three simple requirements to determine whether a worker is an exempt employee under federal law:



Minimum Salary. The employee must be paid a salary of at least \$684 per week (\$35,568 per year) for full-time employment.⁴⁴



White-Collar Duties. The employee's primary duties must consist of administrative, executive, or professional tasks.⁴⁵



Independent Judgment. The employee's job duties must involve the use of discretion and independent judgment.⁴⁶

If all three requirements are met, the employee will usually be classified as “exempt.” There are, however, many caveats to this test, which can be read about in our article

Exempt vs. Non-Exempt Employees: Guide to California Law.

If an employee has been correctly classified as exempt, they are only entitled to be paid once per month.⁴⁷

That payment must occur on or before the 26th day of the month. It must include the employee's wages for the entire month, including the portion between the 26th day of the month and the end of the month that has not yet been fully earned by the employee.⁴⁸

If the exempt employee is entitled to overtime if they work more than 40 hours in a week, that overtime must be paid by the 26th day of the next calendar month, unless a collective bargaining agreement provides a different rule.⁴⁹

In rare situations, employees that are considered “exempt” under state law, but not federal law, must be paid within seven days of the close of their monthly payroll period.⁵⁰

Of course, employers can always choose to pay exempt employees more frequently than once a month.

4.3 Unionized Employees

When employees are covered by a collective bargaining agreement that provides for different pay arrangements, those arrangements will usually override the pay periods explained above.⁵¹ As such, unionized employees should consult their union's collective bargaining agreement to determine their pay schedules.

4.4 Sales Commissions

A *commission* is a type of compensation paid to a person for sales-related services they render. In a commission-based arrangement, the size of the employee's compensation depends on the amount or value of the thing that was sold.⁵²

Commissions from sales are a type of wage.⁵³ They are not owed to the employee, however, until they have been fully “earned.”⁵⁴

The conditions that must occur before a commission is *earned* are defined by the terms of the commission agreement.⁵⁵ Once those conditions have been fulfilled, the commission is considered a wage and the employer is legally obligated to pay it the same way they would any other wage.⁵⁶

As such, earned commissions are subject to the same rules as regular wages: most commissions must be paid, in full, at least *twice per month* on dates the employer has designated in advance, unless an exception applies.⁵⁷

4.5 Temporary Service Employees (Temps)

Temporary service employees (temps) are subject to slightly different rules than other employees.

A *temporary services employee* is someone who performs work for an agency that assigns them to perform services for different employers.⁵⁸ If the employee works more than 90 days for a specific employer, they are no longer considered a temporary services employee.⁵⁹

Temporary service employees are generally entitled to be paid on a weekly basis.⁶⁰ In some situations, however, the employees are entitled to be paid on a daily basis, depending on the nature of their assignments.⁶¹

4.6 Farm Laborers

Employees who work for a farm labor contractor must be paid at least once every week. That pay day must fall on a business day designated in advance by the farm labor contractor.⁶²

The paycheck must include all wages earned up to and including the fourth day before the employee's payday.⁶³

4.7 Agricultural Workers

Employees who work in agricultural, viticultural, or horticultural pursuits are subject to special rules if their boarding and lodging are provided by the employer.⁶⁴ Their wages usually must be paid once per calendar month. That payday must include all wages up to the regular payday.⁶⁵

The employer must designate the employee's payday in advance. Two successive paydays cannot be more than 31 days apart.⁶⁶

4.8 Stock and Poultry Workers

Employees who work in stock or poultry raising are subject to special rules if their boarding and lodging are provided by the employer.⁶⁷ Their wages generally must be paid once per calendar month. That payday must include all wages up to the regular payday.⁶⁸

The employer must designate the employee's payday in advance. Two successive paydays cannot be more than 31 days apart.⁶⁹

4.9 Household Domestic Service Workers

Employees who work in household domestic services are subject to special rules if their boarding and lodging are provided by the employer.⁷⁰ Their wages generally must be paid once per calendar month. That payday must include all wages up to the regular payday.⁷¹

The employer must designate the employee's payday in advance. Two successive paydays cannot be more than 31 days apart.⁷²

4.10 Car Salespeople

Most car salespeople earn a commission for the sales they make. Those commissions are subject to slightly different rules than other forms of payment.

If the employer is licensed as a vehicle dealer by California's Department of Motor Vehicles, car sales commissions must be paid once per month on a day designated in advance by the employer as the regular payday.⁷³

If, however, the car salesperson is subject to a collective bargaining agreement that provides for the date on which wages shall be paid, that agreement will usually control when wages must be paid.⁷⁴

4.11 Striking Employees

When one or more employees go on strike, their earned but unpaid wages must be paid on the next regular payday. Employers are not allowed to reduce or deduct from their paychecks due to the strike.⁷⁵

The Wage Statement Penalty for Missing or Inaccurate Pay Stubs



California law allows employees to collect a penalty from employers for inaccurate or missing wage statements when two facts are true:

-  The employer knowingly and intentionally failed to provide the itemized wage statement in the manner required by law; and
-  The employee suffered an injury.⁷⁶

Both of these facts have specific legal meanings, which we will take a closer look at next.

5.1 “Knowing and Intentional” Failures to Comply

A failure is not *knowing and intentional* if it results from the employer's reasonable, good faith belief that its wage statements complied with the law. The California Supreme Court has held that an employer's objectively reasonable, good faith belief that it provided adequate wage statements precludes a penalty under section 226,

subdivision (e)(1), harmonizing the wage statement penalty with the good faith dispute defense that bars waiting time penalties under section 203.⁷⁷

To rely on a mistake of law, the employer must be able to show that the legal requirements of the statute were unclear or unsettled.⁷⁸ To rely on a mistake of fact, the employer's actions must have been reasonable at the time and supported by some evidence.⁷⁹

A *knowing and intentional* also failure does not include an inadvertent error.⁸⁰ If, for example, ink on the paystub smeared as it was being printed and the employer didn't notice, the illegible wage statement is probably not knowing and intentional. If, on the other hand, the employer noticed but gave the pay stub to the employee anyway, a court might find that the violation of California's pay stub law was knowing and intentional.

Employers that guard against errors by adopting policies or procedures to assure compliance with California's wage statement laws will probably *not* commit a knowing and intentional violation if the violation results from an isolated clerical error. Employers that have no such policy and that repeatedly fail to comply with the wage statement law are more likely to be committing knowing and intentional violations.⁸¹

5.2 Defining Employee “Injuries”

The wage statement penalty can only be collected when the employee *suffers an injury*.⁸² An employee can “suffer an injury” under two circumstances. First, an employee automatically suffers an injury when an employer knowingly and intentionally fails to provide any wage statement at all.⁸³

Second, an employee suffers an injury when an employer provides a wage statement but omits or misstates at least one of the following types of information:

-  The amount of gross or net wages paid during the pay period;
-  The total hours worked, if the employee is non-exempt;
-  The number of piece-rate units earned during the pay period, if the employee is paid on a piece-rate basis;
-  An itemization of all deductions made from gross wages, with the caveat that the employer may aggregate deductions requested by the employee in writing;
-  The dates included in the pay period;

-  All applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee;
-  The employer's name and address; or
-  The name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number.⁸⁴

Importantly, to qualify as “injured,” for these purposes, the employee must be unable to promptly and easily ascertain the missing information from the wage statement alone. This means that if the employee has to reference any other document or information to find one of the types of information listed above, they have been “injured” for the purposes of the wage statement penalty.⁸⁵

5.3 Cost of the Wage Statement Penalty

If the employee is entitled to a wage statement penalty, they can recover *the greater of*.⁸⁶

-  \$50.00 for the initial pay period in which the violation occurs;
-  \$100.00 for each subsequent pay period in which the violation occurs, up to a total of \$4,000.00; or
-  The employee's actual damages, if any.⁸⁷

Injured employees are also entitled to recover their costs and attorney's fees incurred in seeking a remedy for their injury.⁸⁸ But, because this is already a penalty, employees are *not* entitled to recover punitive damages if they file a lawsuit against their employer solely for a wage statement violation.⁸⁹

5.4 The Employee's “Actual Damages”

As mentioned above, employees are sometimes entitled to recover money for their “actual damages.”⁹⁰ The phrase *actual damages* refers to the harm the employee actually suffered because the employee was not given a wage statement. As with the penalty generally, the harm must be caused by the employee's knowing and intentional failure to provide a wage statement containing the required information.⁹¹

Actual damages may occur when crucial pay stub information is inaccurate, requiring the employee to spend time and money to reconstruct an accurate record of hours worked and wages that should have been paid.⁹² Misreporting the employee's hours actually worked is another example of noncompliance that may cause actual harm, because the information provided could cause the employee to miscalculate the amount of wages they are owed.⁹³

Other injuries that may lead to actual damages include:

-  The possibility of not being paid overtime,
-  Employee confusion over whether they received all wages owed them,
-  The difficulty and expense involved in reconstructing pay records, and
-  The cost of forcing employees to make mathematical computations to analyze whether the wages paid in fact compensated them for all hours worked.⁹⁴

Depriving employees of the information that is needed to determine whether wages and overtime were properly paid may satisfy the fairly minimal standard required to prove actual damages.⁹⁵ On the other hand, the mere fact that required information is missing from a pay stub does not necessarily prove that the employee suffered actual damages.

EXAMPLE

When a pay stub shows regular hours and overtime hours but does not add them to show the employee's total hours worked, the time an employee needs to spend to add those two numbers together does not constitute "actual damage."⁹⁶ The employee's recovery would be limited to the statutory penalty amounts.⁹⁷

5.5 Additional Penalties

In addition to California's main wage statement penalty,⁹⁸ employers can be subject to a civil fine when either of the following occur:

-  The employer fails to provide an employee with any wage statement at all;
or



The employer fails to keep the required records of wage payments discussed in Chapter 3.⁹⁹

In either of those cases, the Labor Commissioner is authorized to impose a civil penalty of \$250.00 per employee per violation for a first violation and \$1,000.00 per employee for each subsequent violation.¹⁰⁰ Because those penalties are in addition to the other penalties discussed above, a wage statement violation can be very costly for employers.¹⁰¹

Notably, when either of those two violations occurs, a penalty can be assessed without proof that the violation was knowing and intentional. But, if the employer can show the error was inadvertent and it only happened once, the Labor Commissioner has discretion to not impose the penalty.¹⁰² An *inadvertent* violation is one that is accidental or that results from a clerical error. Ignorance of the law does not usually suffice to prove that a violation was inadvertent.¹⁰³

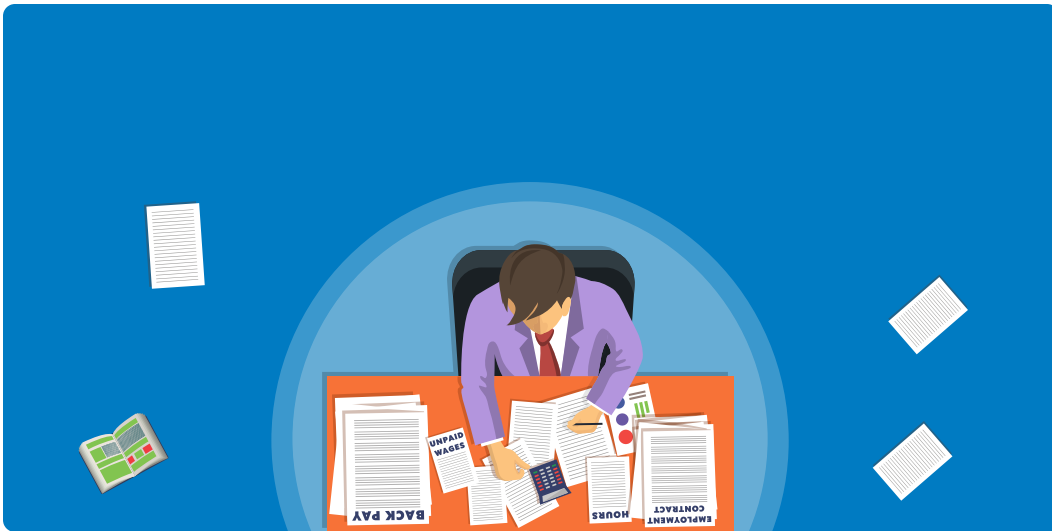
In general, these penalties are payable to the State of California.¹⁰⁴ However, an employee can sometimes recover a share of the penalty by bringing a lawsuit under the Private Attorneys General Act.¹⁰⁵ These are called “PAGA” claims.

A employee may bring a PAGA claim by filing a civil lawsuit against their employer.¹⁰⁶ To do this, however, the employee must first follow certain procedures, which are described in Labor Code sections 2698 through 2699.5 [§](#).

If the employee wins, the court may award the aggrieved employees 35% of the civil penalties recovered, plus reasonable attorney fees and litigation costs.¹⁰⁷ Many attorneys take these kinds of cases on a contingency basis, without any upfront fees.

Even when PAGA does not apply, however, an employee may be entitled to pursue a class action remedy when other employees were subjected to the same pay stub violation that the employee experienced. A California employment attorney can help the employee identify and pursue all appropriate remedies when an employer violates California's pay stub law.

Recovering Damages for an Employer's Violations



When an employer violates California's wage and hour laws, employees can pursue relief in three primary ways:

- ≡ By resolving the dispute informally with the employer,
- ≡ By filing a lawsuit in court, or
- ≡ By bringing an administrative claim for unpaid wages and penalties.¹⁰⁸

The procedure for filing an administrative wage claim is explained in our article [How to File a Wage & Hour Claim in California](#). The pros and cons of wage claims and civil lawsuits are also discussed in that article.

Of course, the best way to resolve a wage dispute will depend on the employee's specific situation. It's usually a good idea to get the opinion of a lawyer before deciding how to proceed.

6.1 Deadline to File

In many cases, it is important to act fast because claims based on unpaid wages or inaccurate wage statements can expire. This expiration period is called a *statute of limitations*. The applicable statute of limitations will depend on the type of claim the employee pursues.

In general, claims seeking penalties for wage statement violations must be filed within **one year** of the violation.¹⁰⁹ A claim or lawsuit seeking unpaid or late-paid wages must be filed within **three years** of the alleged violation.¹¹⁰ If the employee is enforcing the breach of a written employment contract, the statute of limitations is *four years*.¹¹¹

In some cases, litigants seek to extend the statute of limitations in their wage and hour claim by bringing the claim under California's Unfair Competition Law.¹¹² Those claims must be brought within *four years*.¹¹³ It is usually better, however, to bring claims earlier, if possible, so as to avoid relying on this kind of claim in case it turns out to be inapplicable.

6.2 Retaliation is Prohibited

Employees who do not receive accurate wage statements as required by law have a right to bring the issue to their employer's attention and request full compliance with their wage rights. Employers are legally prohibited from retaliating against employees who request the timely payment of their wages.¹¹⁴

Employees are also protected from retaliation if they file a complaint with a governmental agency or a lawsuit in court alleging a violation of their wage rights.¹¹⁵ This means that an employee cannot be punished, fired, or treated unfairly for exercising their rights.

Since 2024, the law also gives employees a timing-based advantage. If an employer takes an adverse action against an employee within 90 days of the employee's protected activity, a rebuttable presumption of retaliation applies, and the employer must articulate a legitimate, nonretaliatory reason for the action.¹¹⁶

References

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- | | |
|-------|--|
| 1 | The phrases “wage statement” and “pay stub” will be used interchangeably throughout this article. |
| <hr/> | |
| 2 | Labor Code, § 226, subd. (a). |
| <hr/> | |
| 3 | Labor Code, § 226, subds. (a), (e). |
| <hr/> | |
| 4 | <i>Jaimez v. Daiohs USA, Inc.</i> (2010) 181 Cal.App.4th 1286, 1306 [“Based on the plain language of Labor Code section 226, subdivision (e), an employee has a statutory right to an accurate pay stub.”]. |
| <hr/> | |
| 5 | Labor Code, § 226, subd. (a) [“An employer, semimonthly or at the time of each payment of wages, shall furnish to his or her employee, either as a detachable part of the check, draft, or voucher paying the employee's wages, or separately if wages are paid by personal check or cash, an accurate itemized statement in writing . . . ”]. |
| <hr/> | |
| 6 | Labor Code, § 226, subd. (a). |
| <hr/> | |
| 7 | See Labor Code, § 226, subd. (j) [excluding exempt employees from receiving certain information on their pay stubs]. For more information about the difference between exempt and nonexempt employees, see our article: Exempt vs. Non-Exempt Employees: Guide to California Law . |
| <hr/> | |
| 8 | As defined by Labor Code section 1682, subdivision (b). |
| <hr/> | |
| 9 | Labor Code, § 246, subd. (i). An employer that provides unlimited paid sick leave or paid time off may satisfy this requirement by stating “unlimited.” A violation of this subdivision carries the paid-sick-leave penalties under Labor Code section 248.5 in lieu of the section 226 wage statement penalties. |
| <hr/> | |
| 10 | Labor Code, § 200, subd. (a) [“‘Wages’ includes all amounts for labor performed by employees of every description, whether the amount is fixed or ascertained by the standard of time, task, piece, commission basis, or other method of calculation.”]. |
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- 11 Labor Code, § 200, subd. (b) [“‘Labor’ includes labor, work, or service whether rendered or performed under contract, subcontract, partnership, station plan, or other agreement if the labor to be paid for is performed personally by the person demanding payment.”].
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- 12 Labor Code, § 200, subd. (a).
-
- 13 *Murphy v. Kenneth Cole Productions, Inc.* (2007) 40 Cal.4th 1094, 1103 [“Courts have recognized that ‘wages’ also include those benefits to which an employee is entitled as a part of his or her compensation, including money, room, board, clothing, vacation pay, and sick pay.”].
-
- 14 FICA stands for “Federal Insurance Contributions Act.” These withholdings represent the employee’s contributions to Social Security and Medicare.
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- 15 Labor Code, § 226, subd. (a) [“all deductions made on written orders of the employee may be aggregated and shown as one item”].
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- 16 This information must be given in addition to the itemized information described in Chapter 1.
-
- 17 Labor Code, § 226, subd. (a)(3).
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- 18 Labor Code, § 226.2, subd. (a)(4) [“Employees shall be compensated for other nonproductive time at an hourly rate that is no less than the applicable minimum wage.”].
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- 19 Labor Code, § 226.2, subd. (a)(1) [“Employees shall be compensated for rest and recovery periods and other nonproductive time separate from any piece-rate compensation.”].
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- 20 Labor Code, § 226.2, subd. (a)(4) [“Employees shall be compensated for other nonproductive time at an hourly rate that is no less than the applicable minimum wage.”].
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- 21 Labor Code, § 226.2 [“‘other nonproductive time’ means time under the employer’s control, exclusive of rest and recovery periods, that is not directly related to the activity being compensated on a piece-rate basis.”].
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- 22 This is calculated by dividing the total compensation for the workweek by the total hours worked during the workweek. When performing this

calculation, premiums for overtime compensation are excluded, as are the time and compensation for rest and recovery periods.

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- 23 Labor Code, § 226.2, subd. (a)(3).
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- 24 Labor Code, § 226.2, subd. (a)(4).
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- 25 Labor Code, § 226.2, subds. (a)(1), (a)(4).
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- 26 Labor Code, § 226.7, subd. (c); Cal. Code of Regs., tit. 8, §§ 11010–11150, subds. 11(B) [“If an employer fails to provide an employee a meal period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee’s regular rate of compensation for each workday that the meal period is not provided.”], 12(B) [“If an employer fails to provide an employee a rest period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee’s regular rate of compensation for each workday that the rest period is not provided.”].
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- 27 Labor Code, § 226.2, subd. (a)(2).
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- 28 Labor Code, § 226.2, subd. (a)(2).
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- 29 Labor Code, § 226.2, subd. (a)(5) [“The amount of other nonproductive time may be determined either through actual records or the employer’s reasonable estimates, whether for a group of employees or for a particular employee, of other nonproductive time worked during the pay period.”].
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- 30 Labor Code, § 201.3, subd. (a)(1).
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- 31 Labor Code, § 226, subd. (a) [“[I]f the employer is a temporary services employer as defined in Section 201.3, the rate of pay and the total hours worked for each temporary services assignment.”].
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- 32 Labor Code, § 226, subd. (d) [“This section does not apply to any employer of any person employed by the owner or occupant of a residential dwelling whose duties are incidental to the ownership, maintenance, or use of the dwelling, including the care and supervision of children, or whose duties are personal and not in the course of the trade, business, profession, or occupation of the owner or occupant.”].
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- 33 See Labor Code, § 3351, subd. (d) [defining employee with similar language as used in Labor Code section 226, subdivision (d)]; *Vebr v. Culp* (2015) 241 Cal.App.4th 1044, 1056 [“Section 3351, subdivision (d) ‘includes in its definition of an employee persons who are hired to make repairs on a residence’ [Citation], such as plumbers, carpenters, and workers hired to repair a roof [Citation], and ‘has also been applied to an unlicensed housepainter hired to paint a living room, dining room and possibly a kitchen’ [Citation].”].
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- 34 Labor Code, § 226, subd. (a) [“a copy of the statement and the record of the deductions shall be kept on file by the employer for at least three years at the place of employment or at a central location within the State of California.”].
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- 35 Labor Code, § 226, subd. (a).
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- 36 Labor Code, § 226, subd. (b) [“An employer that is required by this code or any regulation adopted pursuant to this code to keep the information required by subdivision (a) shall afford current and former employees the right to inspect or receive a copy of records pertaining to their employment, upon reasonable request to the employer. The employer may take reasonable steps to ensure the identity of a current or former employee. If the employer provides copies of the records, the actual cost of reproduction may be charged to the current or former employee.”].
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- 37 Labor Code, § 226, subd. (c) [“An employer who receives a written or oral request to inspect or receive a copy of records pursuant to subdivision (b) pertaining to a current or former employee shall comply with the request as soon as practicable, but no later than 21 calendar days from the date of the request. A violation of this subdivision is an infraction. Impossibility of performance, not caused by or a result of a violation of law, shall be an affirmative defense for an employer in any action alleging a violation of this subdivision. An employer may designate the person to whom a request under this subdivision will be made.”].
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- 38 Labor Code, § 226, subd. (a).
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- 39 Labor Code, § 204, subd. (a).
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- 40 Labor Code, § 207.
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- 41 Labor Code, § 204, subd. (a).
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42	Labor Code, § 204, subd. (b) ["Notwithstanding any other provision of this section, all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period."].
43	Labor Code, §§ 204, subd. (a), 204c; see 29 U.S.C. § 213 [federal exemptions].
44	29 C.F.R. §§ 541.600(a), 541.602(a) [the federal salary-level and salary-basis tests].
45	See 29 C.F.R. §§ 541.100, 541.200, 541.300 [defining the executive, administrative, and professional duties tests].
46	29 C.F.R. § 541.202(a).
47	Labor Code, § 204, subd. (a) ["[S]alaries of executive, administrative, and professional employees of employers covered by the Fair Labor Standards Act, as set forth pursuant to Section 13(a)(1) of the Fair Labor Standards Act, as amended through March 1, 1969, in Part 541 of Title 29 of the Code of Federal Regulations, as that part now reads or may be amended to read at any time hereafter, may be paid once a month on or before the 26th day of the month during which the labor was performed if the entire month's salaries, including the unearned portion between the date of payment and the last day of the month, are paid at that time."].
48	Labor Code, § 204, subd. (a).
49	Labor Code, § 204.2.
50	Labor Code, § 204c.
51	Labor Code, § 204, subd. (c).
52	Labor Code, § 204.1 ["Commission wages are compensation paid to any person for services rendered in the sale of such employer's property or services and based proportionately upon the amount or value thereof."].
53	Labor Code, § 200, subd. (a); <i>Sciborski v. Pacific Bell Directory</i> (2012) 205 Cal.App.4th 1152, 1166 ["[S]ales commissions are considered 'wages.'"].
54	See, e.g., Labor Code, §§ 201, subd. (a), 204, subd. (a), 221; see also Labor Code, § 203 [penalty for failing to pay wages on time].

55	<i>Koehl v. Verio, Inc.</i> (2006) 142 Cal.App.4th 1313, 1335 [“A commission is 'earned' when the employee has perfected the right to payment; that is, when all of the legal conditions precedent have been met. Such conditions precedent are a matter of contract between the employer and employee, subject to various limitations imposed by common law or statute.”].
56	<i>Sciborski v. Pacific Bell Directory</i> (2012) 205 Cal.App.4th 1152, 1167 [“[O]nce the express contractual conditions are satisfied, the commission is considered a wage and an employer cannot recoup the commission once it has been paid to the employee.”].
57	Labor Code, § 204, subd. (a).
58	Labor Code, § 201.3, subd. (a).
59	Labor Code, § 201.3, subd. (b)(6).
60	Labor Code, § 201.3, subd. (b)(1)(A).
61	Labor Code, § 201.3, subd. (b).
62	Labor Code, § 205 [“Notwithstanding the provisions of this section, wages of workers employed by a farm labor contractor shall be paid on payroll periods at least once every week on a business day designated in advance by the farm labor contractor.”].
63	Labor Code, § 205 [“Payment on such payday shall include all wages earned up to and including the fourth day before such payday.”].
64	Labor Code, § 205.
65	Labor Code, § 205; but see Labor Code, § 205.5 [providing different rules for certain types of wages].
66	Labor Code, § 205.
67	Labor Code, § 205.
68	Labor Code, § 205.
69	Labor Code, § 205.
70	Labor Code, § 205.
71	Labor Code, § 205.
72	Labor Code, § 205.

- 73 Labor Code, § 204.1 [“Commission wages paid to any person employed by an employer licensed as a vehicle dealer by the Department of Motor Vehicles are due and payable once during each calendar month on a day designated in advance by the employer as the regular payday.”].
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- 74 Labor Code, § 204.1.
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- 75 Labor Code, § 209.
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- 76 Labor Code, § 226, subd. (e)(1) [“An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars (\$4,000), and is entitled to an award of costs and reasonable attorney's fees.”].
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- 77 *Naranjo v. Spectrum Security Services, Inc.* (2024) 15 Cal.5th 1056 [“an employer's objectively reasonable, good faith belief that it has provided employees with adequate wage statements precludes an award of penalties under section 226, subdivision (e)(1)”]; see *Heritage Residential Care, Inc. v. Division of Labor Standards Enforcement* (2011) 192 Cal.App.4th 75, 87–88.
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- 78 *Heritage Residential Care, Inc. v. Division of Labor Standards Enforcement* (2011) 192 Cal.App.4th 75, 88 [“This is not a case where the legal requirements of the statute were unclear or unsettled.”].
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- 79 See Cal. Code of Regs., tit. 8, § 13520, subd. (a) [“Defenses presented which, under all the circumstances, are unsupported by any evidence, are unreasonable, or are presented in bad faith, will preclude a finding of a 'good faith dispute.'”].
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- 80 Labor Code, § 226, subd. (e)(3) [“For purposes of this subdivision, a 'knowing and intentional failure' does not include an isolated and unintentional payroll error due to a clerical or inadvertent mistake. In reviewing for compliance with this section, the factfinder may consider as a relevant factor whether the employer, prior to an alleged violation, has adopted and is in compliance with a set of policies, procedures, and practices that fully comply with this section.”].
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81	Labor Code, § 226, subd. (e)(3).
82	Labor Code, § 226, subd. (e)(1) [“An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars (\$4,000), and is entitled to an award of costs and reasonable attorney's fees.”]; <i>Price v. Starbucks Corp.</i> (2011) 192 Cal.App.4th 1136, 1142 [“To recover damages under section 226, subdivision (e), an employee must suffer injury as a result of a knowing and intentional failure by an employer to comply with the statute.”].
83	Labor Code, § 226, subd. (e)(2)(A) [“An employee is deemed to suffer injury for purposes of this subdivision if the employer fails to provide a wage statement.”].
84	Labor Code, § 226, subd. (e)(2)(B).
85	Labor Code, § 226, subd. (e)(2)(C) [“For purposes of this paragraph, 'promptly and easily determine' means a reasonable person would be able to readily ascertain the information without reference to other documents or information.”].
86	Labor Code, § 226, subd. (e)(1).
87	Labor Code, § 226, subd. (e)(1).
88	Labor Code, § 226, subd. (e)(1).
89	<i>Brewer v. Premier Golf Properties, LP</i> (2008) 168 Cal.App.4th 1243, 1252 [“We are convinced . . . punitive damages are not recoverable when liability is premised solely on the employer's violation of the Labor Code statutes that regulate . . . pay stubs . . . ”].
90	Labor Code, § 226, subd. (e)(1).
91	Labor Code, § 226, subd. (e)(1).
92	<i>Jaimez v. Daiohs USA, Inc.</i> (2010) 181 Cal.App.4th 1286, 1306 [citing with approval <i>Wang v. Chinese Daily News, Inc.</i> (C.D.Cal. 2006) 435 F.Supp.2d 1042, 1050, where the court found that an inaccurate statement of hours worked and the omission of an hourly rate caused an employee to suffer

injury “because (1) the employee might not be paid overtime to which she was entitled and (2) the absence of an hourly rate prevents an employee from challenging the overtime rate paid by [the employer]”]; see also *Cicairos v. Summit Logistics, Inc.* (2005) 133 Cal.App.4th 949, 960 [reversing summary judgment because wage statements were confusing and “it is not clear that they reflect accurate information”].

93 *Jaimez v. Daiohs USA, Inc.* (2010) 181 Cal.App.4th 1286, 1305–1306.

94 *Elliot v. Spherion Pac. Work, LLC* (C.D.Cal. 2008) 572 F.Supp.2d 1169, 1181, cited with approval by *Jaimez v. Daiohs USA, Inc.* (2010) 181 Cal.App.4th 1286, 1306.

95 *Jaimez v. Daiohs USA, Inc.* (2010) 181 Cal.App.4th 1286, 1306.

96 *Price v. Starbucks Corp.* (2011) 192 Cal.App.4th 1136, 1143 (*Price*). Without deciding whether the pay stub violated the law, the court in *Price* held that the violation did not cause the employee to suffer an injury. *Price* was decided before section 226 was amended by adding subsection (e)(2), which includes the definition of “injury” discussed above. By adding together regular and overtime hours, the employee could “promptly and easily determine” total hours by reference to the wage stub alone, so the pay stub would not violate current law by failing to provide a total sum of regular and overtime hours. (See also *Morgan v. United Retail Inc.* (2010) 186 Cal.App.4th 1136, 1147 [“There is nothing in the plain language of section 226 to support Morgan’s argument that wage statements which accurately list the total regular hours and overtime hours worked during the pay period must also contain a separate category with the sum of those two figures.”].

97 Labor Code, § 226, subd. (e)(1).

98 Labor Code, § 226.3 [“The civil penalties provided for in this section are in addition to any other penalty provided by law.”].

99 Labor Code, § 226.3 [“Any employer who violates subdivision (a) of Section 226 shall be subject to a civil penalty in the amount of two hundred fifty dollars (\$250) per employee per violation in an initial citation and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, for which the employer fails to provide

the employee a wage deduction statement or fails to keep the records required in subdivision (a) of Section 226.”].

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- 100 Labor Code, § 226.3.
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- 101 *Brewer v. Premier Golf Properties, LP* (2008) 168 Cal.App.4th 1243, 1253 n.8 [“we construe the language of section 226.3 as designed to insure that the recovery of any penalties under section 226.3 would not preclude the other statutory penalties available for pay stub violations”].
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- 102 Labor Code, § 226.3 [“In enforcing this section, the Labor Commissioner shall take into consideration whether the violation was inadvertent, and in his or her discretion, may decide not to penalize an employer for a first violation when that violation was due to a clerical error or inadvertent mistake.”].
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- 103 *Heritage Residential Care, Inc. v. Division of Labor Standards Enforcement* (2011) 192 Cal.App.4th 75, 83–86.
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- 104 Labor Code, §§ 210, 225.
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- 105 Labor Code, §§ 2698–2699.5. The 2024 PAGA reform (Stats. 2024 (AB 2288, SB 92)) revised the Act’s standing, penalty, cure, and distribution rules for actions brought on or after June 19, 2024, and increased the aggrieved-employee share of recovered civil penalties from 25% to 35%; claims for which the PAGA notice was filed before that date keep the prior 25% share. Labor Code, § 2699, subds. (m), (v).
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- 106 Labor Code, § 2699, subd. (a).
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- 107 Labor Code, § 2699, subds. (k)(1) [attorney’s fees and costs], (m) [distribution of civil penalties].
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- 108 *Post v. Palo/Haklar & Associates* (2000) 23 Cal.4th 942, 946 [“[I]f an employer fails to pay wages in the amount, time, or manner required by contract or statute, the employee may seek administrative relief by filing a wage claim with the commissioner or, in the alternative, may seek judicial relief by filing an ordinary civil action for breach of contract and/or for the wages prescribed by statute.”].
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- 109 Labor Code, § 226; Code Civ. Proc., § 340, subd. (a).
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- 110 Labor Code, § 226.7; Code Civ. Proc., § 338, subd. (a); *Murphy v. Kenneth Cole Productions, Inc.* (2007) 40 Cal.4th 1094, 1110–1111.
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111	Code Civ. Proc., § 337.
112	See Bus. & Prof. Code, § 17200 et seq.
113	Bus. & Prof. Code, § 17208 [“Any action to enforce any cause of action pursuant to this chapter shall be commenced within four years after the cause of action accrued. No cause of action barred under existing law on the effective date of this section shall be revived by its enactment.”].
114	Labor Code, § 98.6, subd. (a) [“A person shall not discharge an employee or in any manner discriminate, retaliate, or take any adverse action against any employee or applicant for employment because . . . of the exercise by the employee or applicant for employment on behalf of himself, herself, or others of any rights afforded him or her.”].
115	Labor Code, § 98.6, subd. (a).
116	Labor Code, § 98.6, subd. (b)(1), as amended by Stats. 2023, ch. 612 (SB 497).