

**337.065 Unlawful for employer to require remittance of gratuity -- Tip pooling.**

- (1) No employer shall require an employee to remit to the employer any gratuity, or any portion thereof, except for the purpose of withholding amounts required by federal or state law. The amount withheld from such gratuity shall not exceed the amount required by federal or state law.
- (2) As used in this section, "gratuity" means voluntary monetary contribution received by an employee from a guest, patron, or customer for services rendered.
- (3) No employer shall require an employee to participate in a tip pool whereby the employee is required to remit to the pool any gratuity, or any portion thereof, for distribution among employees of the employer.
- (4) Employees may voluntarily enter into an agreement to divide gratuities among themselves. The employer may inform the employees of the existence of a voluntary pool and the customary tipping arrangements of the employees at the establishment. Upon petition by the participants in the voluntary pool, and at his own option and expense, an employer may provide custodial services for the safekeeping of funds placed in the pool, if the account is properly identified and segregated from his other business records and open to examination by pool participants.

**Effective:** July 15, 1996

**History:** Amended 1996 Ky. Acts ch. 115, sec. 2, effective July 15, 1996. -- Created 1976 Ky. Acts ch. 222, sec. 1.