



# What Deductions Can You Take for a Salaried, Exempt Employee?

## YES Deductions can be taken

- An employee is absent for one or more full days for personal reasons other than sickness or disability.
- An employee is absent for one or more full days due to sickness or disability and the employer has a bona fide plan, policy or practice of providing compensation for salary lost due to illness.
- An employee is absent for one or more full days due to sickness, and the employer has a bona fide plan, policy or practice of providing compensation for salary lost due to illness, but the employee has already exhausted their paid sick leave allowance.
- To offset jury or witness fees, or for temporary military duty pay.
- For penalties imposed in good faith for infractions of safety rules of major significance.
- For unpaid disciplinary suspensions of one or more full days imposed in good faith for workplace misconduct and employer has a written policy.
- The company remained open during inclement weather, but an exempt employee decided to stay home and performed no work during the day.
- Partial-day or full-day leave taken under the Family and Medical Leave Act (FMLA).
- In the employee's initial or terminal week of employment, the employee doesn't work the full week.

## NO Deductions cannot be taken

- An employee is absent for a partial day for personal reasons other than sickness or disability.
- An employee leaves work two hours early to attend a parent-teacher conference at their child's school.
- An employee is absent for one or more full days due to sickness or disability and the employer doesn't have a bona fide plan, policy or practice of providing compensation for salary lost due to illness.
- An employee is absent for a partial day due to sickness or disability and the employer has a bona fide plan, policy or practice of providing compensation for salary lost due to illness.
- An employee is absent from work for three days because of jury duty or military duties.
- For unpaid disciplinary suspensions of a partial day imposed in good faith for workplace misconduct and employer has a written policy.
- For unpaid disciplinary suspensions of one or more full days imposed in good faith for workplace misconduct and employer doesn't have a written policy.
- The employee failed to deliver an important project on time and it still had many mistakes.
- The employee is late to work too often.
- The company's equipment was lost or damaged.
- The employer is closed for a partial day or full day due to a weather emergency.
- The employer is closed on a holiday.
- An employee has an unscheduled absence the day before a company holiday, and the employer has a policy requiring employees to work the day before and after a holiday to receive pay.
- There isn't enough work, so the employer sends the exempt employee home the last two days of the workweek as part of a furlough.

\* These are examples, however, the lists above are not exhaustive and additional duties may fall into each category. The lists rely upon federal law - be sure to check your state and local law to ensure they are consistent with the FLSA.



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