

Partners Offer Blueprint for Restaurateurs Considering a Service Fee Over Tip Credits

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In a bylined article published in *Law360*, **Ted Boehm** and **Courtney Leyes** offer a blueprint for restaurateurs considering a service fee over tip credits. Citing a recent appellate case that sided with celebrity restaurateur “Salt Bae,” who shifted his Miami restaurant to a mandatory service fee from discretionary tipping, Ted and Courtney map out this clear six-point checklist:

1. Make sure the fees are mandatory.
2. Include them in your gross receipts (not all courts agree on this provision so best to err on the side of caution).
3. Be careful if you’re considering the overtime exemption.
4. Have a plan for when a customer does leave a tip (never dole that out to supervisors).
5. Follow local laws and ordinances.
6. Communicate clearly and often with your staff about the transition and new policies.

To read the article visit [Law360](#) (subscription required).

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