

The new Illinois Minimum Wage Law draws a distinction in the minimum wage rate between regular workers and young workers, who are under age 18 and work fewer than 650 hours during any calendar year. The regular and young worker minimum wage increases are as follows:

Effective Date	Regular Minimum Wage	Young Worker Minimum Wage
January 1, 2020	\$9.25	\$8.00
July 1, 2020	\$10.00	\$8.00
January 1, 2021	\$11.00	\$8.50
January 1, 2022	\$12.00	\$9.25
January 1, 2023	\$13.00	\$10.50
January 1, 2024	\$14.00	\$12.00
January 1, 2025	\$15.00	\$13.00

Other key components of the law are:

Tax credits: Most small employers with 50 or fewer employees will be able to claim a tax credit corresponding to 25 percent of the increased cost of wages paid from January 1, 2020, through December 31, 2020. The tax credit reduces to 21 percent of the increased cost of wages in 2020; 17 percent in 2022; 13 percent in 2023; 9 percent in 2024; and 5 percent in 2025. In 2026 employers with more than five employees can claim a 5 percent credit. In 2027, only employers with five or fewer employees can claim the 5 percent credit. The credits will be phased out after 2027.

Enforcement: The new law imposes harsher penalties on employers who fail to pay the required minimum wage. Employees are entitled to triple the amount of corresponding underpayments as damages, in addition to court costs and attorney's fees, and an additional amount of 5 percent per month as long as underpayments remain unpaid. The law also imposes a fine of \$1,500 for employers who recklessly, willfully or repeatedly disregard the wage requirements, and a \$100 per employee fine against any employer who did not keep proper payroll records.