

Chapter Ind-UC 130**WAGES FOR BENEFIT PURPOSES**

Ind-UC 130.03 Treatment of "tips"

Ind-UC 130.03 Treatment of "tips". (1) STATUS OF "TIPS". (a) Under section 108.02 (6), Wis. Stats., "tips" received by an employe in connection with his employment are not to be counted as "wages" in determining an employer's "payroll" (for contribution purposes).

(b) Such "tips" continue to be "wages" for benefit purposes, as specified in subsection (2).

(2) MEANING OF "BENEFIT PURPOSES". An employe's "tips" received in connection with his employment by an employer shall be treated as "wages" from that employer:

(a) In computing the employe's "average weekly wage" and corresponding "weekly benefit rate" from that employer; and

(b) In determining whether the employe is unemployed in any given week.

(3) DETERMINATION OF THE AMOUNT OF TIPS. (a) An employer, when reporting an employe's wages on any benefit report filed under section Ind-UC 123.01, need not include as wages either the actual or estimated value of any "tips" received by the employe in connection with his employment by the employer.

(b) Such "tips" shall be taken into account for benefit purposes only if the employe, in claiming benefits from such employer, furnishes the commission's representative with information as to the amount of such "tips" received during each period relevant to his claim.

(c) If allowance of the amount of "tips" thus claimed by an employe would increase his weekly benefit rate from the given employer, the commission shall notify the employer and allow 10 days (after mailing of such notice) within which the employer may contest the amount of "tips" thus claimed by notifying the commission what average weekly amount of "tips" he estimates that the employe received.

(d) In any case where the employer thus duly contests the amount of "tips" claimed by the employe, and where the employe declines to accept the employer's estimate, the commission shall take into account any relevant and available information, including any information disclosed by the employe's filing (or non-filing) of a Wisconsin income tax return under chapter 71, Wis. Stats., as to the "tips" figure used by the employe in paying his taxes.