

INDIANA

NEW LAW: Wage Deductions for Uniform Rental Now Permissible in Indiana

On May 1, 2019, Indiana Governor Eric Holcomb signed [Senate Bill 99](#) into law. This new law, which took immediate effect, allows employers to deduct from employees' wages the cost of the rental of uniforms required for the job.

Under the previous law, employers were permitted to deduct for the purchase of employees' uniforms, but the law was silent with respect to whether the cost of uniform rental could also be deducted from employee wages.

The new law clarifies that the cost of uniform rental may be deducted from employees' wages under the same conditions as the purchase of a uniform (i.e. with a cap of either \$2500 annually or five percent of the employee's weekly disposable earnings, whichever is less.)

In addition, the law also applies retroactively – meaning that it legalizes any deductions made on uniform rental prior to the new law taking effect.

NOTE: The cost of personal protective equipment required by federal law may not be deducted from employees' wages.