# Client Alert

## Colorado 2025 Wage Increases

**WHAT'S NEW**: Beginning January 1, 2025, the Colorado minimum wage will increase to **$14.81** per hour, and the minimum salary for full-time exempt employees will increase to **$56,485** per year.

**WHAT IT MEANS**: Beginning January 1, 2025, the minimum wage in Colorado will increase by 39 cents from $14.42 to $14.81 per hour. This increase applies to all employers, regardless of size. Additionally, the minimum salary for full-time exempt employees in the executive, administrative and professional categories will increase from $55,000 per year to $56,485 per year.

The exempt salary threshold for highly compensated employees increased to $127,091. Computer software professional exempt employees must receive at least $34.07 per hour in 2025 in order to maintain their overtime exemption.

Note that these increases are state mandated and are in full force and effect as of January 1, 2025. These increases are not affected by the recent strike down of the federal regulation increasing the salary threshold.

Employers should also be aware that several local jurisdictions and industries across Colorado have separate minimum wages that may be higher than the state minimum wage. Local minimum wages may apply to remote employees, including those working from home or on a hybrid schedule. Please also note different minimum wage laws may apply to certain employers in the healthcare sector.

**WHAT EMPLOYERS SHOULD DO**: Colorado employers should review the wages and salaries of their employees to ensure that by January 1, 2025, they are paying the applicable rate. Employers should also review local ordinances for additional increases in the minimum wage.

**Please reach out to your Engage Human Resources Partner if you have any questions concerning this alert or other HR-related matters**