



W-2 Readiness: Demo Tavern

SAMPLE: fictional data 8 weeks of time-clock and tip data (Sep to Oct 2026) for 6 workers. A full-year file works the same way.

\$1,189.53BOX 12 TT TOTAL (8
WEEKS)**\$12,916.93**BOX 12 TP TOTAL (8
WEEKS)**5**

WORKERS WITH A FIX

Feb 1, 2027

W-2S DUE

Employee	Role	OT hrs	Box 12 TT	Box 12 TP	14b	Fix list
Server A (fictional)	server	41.93	\$314.48	\$5,762.49	102	Tipped OT paid at 1.5x the cash wage; required cash OT rate is 1.5x full minimum wage minus the tip credit (29 CFR 531.60). Check back pay.
Bartender B (fictional)	bartender	32.14	\$241.05	\$5,445.35	101	Tipped OT paid at 1.5x the cash wage; required cash OT rate is 1.5x full minimum wage minus the tip credit (29 CFR 531.60). Check back pay.
Cook C (fictional)	cook	16.35	\$161.46	\$0.00	None	OT rate paid is below 1.5x the regular rate in a bonus week: bonus not folded into the regular rate (29 CFR 778.208)
Busser D (fictional)	busser	18.43	\$138.22	\$1,709.09	104	Tipped OT paid at 1.5x the cash wage; required cash OT rate is 1.5x full minimum wage minus the tip credit (29 CFR 531.60). Check back pay.
Kitchen Manager E (fictional)	cook	120	\$0.00	\$0.00	None	Marked exempt: no TT even with 40+ hours
Dishwasher F (fictional)	dishwasher	41.79	\$334.32	\$0.00	None	OK

How we got the numbers

- TT is only the half-time premium on FLSA overtime: $0.5 \times \text{regular rate} \times \text{hours over 40}$ in the workweek. Bonuses go into the regular rate. Double time beyond 1.5x and exempt staff are out.
- Tipped staff: the regular rate is built on the full Illinois minimum wage (\$15.00), not the \$9.00 cash wage.
- TP is tips the employee reported to you. 14b is the Treasury tipped occupation code: bartenders 101, wait staff 102, bussers and barbacks 104 (IRS list).

This sample also caught a pay problem: tipped overtime paid at 1.5x the cash wage. The required cash overtime rate is \$16.50 an hour, not \$13.50. We flag it; your payroll provider or attorney fixes it. Worksheet only, not tax advice. Your payroll provider or CPA files the W-2.