

# Michigan’s Supreme Court Clarifies Its Mothering Justice Opinion and Sets State’s Minimum Wage Increases and Tip Credit Phaseout

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Following the Michigan Supreme Court’s July 31, 2024, [ruling](#) that the state legislature’s December 2018 “adopt and amend” action was unconstitutional, and that the state’s minimum wage will increase in 2025, the court has now clarified what those minimum wage increases will be when the law takes effect on February 21, 2025.

## Quick Hits

- The Michigan Supreme Court issued an order mandating specific wage increases and gradually eliminating the tip credit by 2030.
- The new wage and tip credit adjustments take effect on February 21, 2025.
- The Michigan Legislature has introduced a bill that, if enacted, will scale back the scheduled wage increases while preserving the tip credit.

In its September 18, 2024, [order](#) in *Mothering Justice v. Attorney General*, the Michigan Supreme Court confirmed the dates and inflation-based calculations for the minimum wage increases and corresponding gradual elimination of the tip credit, which will begin on February 21, 2025. The September 18 order also clarified that the tip credit would be eliminated by 2030, not 2029, as stated in the court’s original July 31, 2024, ruling.

Based on the court’s order, the minimum wage increases and tip credit reductions will be implemented according to the following schedule:

Original Year	Original Minimum Wage Value	Adjustment	New Year	New Minimum Wage	Tipped Workers’ Minimum Wage
2019	\$10.00	1.24752	February 21, 2025	\$12.48	48% of minimum wage
2020	\$10.65	1.24752	February 21, 2026	\$13.29	60% of minimum wage

2021	\$11.35	1.24752	February 21, 2027	\$14.16	70% of minimum wage
2022	\$12.00	1.24752	February 21, 2028	\$14.97	80% of minimum wage
February 21, 2029	\$14.97 + CPI	90% of minimum wage			
February 21, 2030	2029 Minimum Wage + CPI	100% of minimum wage (No tip credit)			

With the deadline approaching on February 21, 2025, the Michigan Legislature has introduced a bill ([Senate Bill No. 991](#)) that, if enacted, will scale back the newly scheduled wage increases while preserving the tip credit. SB 991 was referred to the Senate Committee on Labor on September 11, 2024.

The Michigan Supreme Court's September 18, 2024, order did not address the portion of its July 31, 2024, decision that reinstated the Earned Sick Time Act (ESTA). Although lawmakers have yet to introduce a bill to address the ESTA, the Michigan Department of Labor and Economic Opportunity has published answers to [frequently asked questions](#) outlining how the state intends to interpret and enforce the ESTA.

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