

What is tipping?

A tip is money that customers give voluntarily on top of the amount they have to pay. It is an appreciation of good service. No one has to tip an employee and there is no legal right to it.

Who do the tips belong to?

If a customer directly tips an employee, the money belongs to this person.

Is the employer allowed to keep the tips?

No. Tips belong to the person that received them. The employer may not simply keep the tips to himself or use them for business purposes. The employer is required to give the tips to the employees. If the employees do not know the exact amount of the tips, the employer is required to inform them about it.

What is a tip jar or tip pool?

In many restaurants, tips from all employees are collected in a common tip jar and the money is divided among them in a certain way.

For example:

- Service: 70 %
- Kitchen staff: 30 %

Such rules are allowed if they are customary in the workplace or if they have been decided on together.

Important: If tips are to be divided among service staff, kitchen staff, or other employees, this should be specified in writing whenever possible—for example, in an employment contract or a company agreement.

Why? If a guest gives a tip directly to a service employee, that tip legally belongs to that person at first. If there is no specific agreement that tips should be shared, service employees are not required to share their tips with other employees. Even if everybody agreed on a tip pool, the employer is not allowed to keep a portion of the tips.

What if customers pay by card?

These days, many guests pay by card and also tip electronically. This tip also belongs to the employees, not the employer.

Does one have to pay taxes for tips?

As a general rule, tips are not subject to taxes if:

- they are given voluntarily by the guest and
- they benefit the employees.

This is also the case if tips are paid by card. The prerequisite is that the employer merely passes the tips on to the employees. If the employer pays the tips together with the employees wages, it does not automatically mean they have to be taxed.

Tips are also not subject to social security taxes.

Can tips be included in an employee's wages?

No. The employer must pay the wage stated in the employment contract, which must be at least the minimum wage.

Tips may not be used as a substitute for wages. An employer is not allowed to pay the employee less money, because the employee received additional tips.

Do tips have to be listed on the pay slip?

Tips that guests give directly to employees in cash do not have to be included in the pay slip.

However, the wages themselves must always be correctly reported on the pay stub.

What should you do if you have problems?

If an employer keeps or distributes tips without informing employees, this should be addressed.

The following may be helpful:

- writing down the amount of tips you received,
- getting statements from coworkers,
- keeping photos or other evidence.

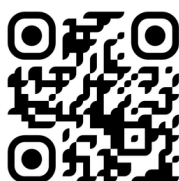


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Polish, Ukrainian, Bulgarian, Romanian, Portuguese, Moldovan, Arabic, Kurdish, Russian, French, Turkish, German, English

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Advice from a trade union

A union is an organization run by workers for workers. You could also say that a union represents the interests of workers. There are different unions for different professions.

A union offers its members advice and assistance with problems at work. The Food, Beverages, and Hospitality Union (NGG) represents workers in the hospitality industry.

For specific questions regarding tips, members of the NGG union have the option of seeking legal advice.

Contact options

You can make an appointment at the NGG office, located at Gotzkowskystr. 8, 10555 Berlin, by calling +49 (0) 30 399 915 0 or by emailing region.berlin-brandenburg@ngg.net.

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