

New IRS regulations take a bite out of server wages

In the vast and complex network that is the United States tax system, where should we focus our scrutiny? Who should we make sure is paying their fair share? Many might say “big banks,” or “enormous international conglomerates.” But according to the Internal Revenue Service, it’s your friendly local Waffle House waitress, and every other server across the country.



Ian Luther
Columnist

Starting in January, automatic gratuities on large parties will be taxed as a wage, not a tip. While this seems like a meaningless distinction, it means huge changes for servers across the country, and for the restaurants that employ them.

As a waiter at your favorite soup-salad-and-breadsticks dispensary, Olive Garden, this law hits home harder for me than it does for most. But for the majority who’ve never had the misfortune of seeing a party of 14 bad-tempered customers determined to take “Never-Ending Pasta Bowl” literally, allow me to explain the concern.

Let’s start at the beginning, with the

minimum wage for tipped employees: \$2.13 an hour. Some states go as high as about \$5 an hour, but North Carolina has been kind enough to keep it at the lowest federally guaranteed amount. After taxes, this functionally comes out to zero dollars an hour, give or take a couple cents either way (yes, you can lose money).

So then it comes down to your tips. But tips aren’t a sure thing, either, when you have to count on the often non-existent generosity of your customers. But no matter how good or how bad a night you have, the way to get paid is about as simple as it gets: the cash you walk with at the end of the night is what you made during that shift.

Until this new law passes, that is. With this change in classification, the automatic 18 percent on large parties suddenly becomes a wage, not a tip. Servers get their tips the very same night they work, but wages become a biweekly check, with taxes already taken out of them.

National chain restaurants like Applebee’s, Chili’s and Olive Garden (cough cough) are already considering ending automatic gratuities, simply because the new regulations will be too big a hassle. This means servers, in the one area they could guarantee a reasonable return for their work, won’t even get that.

Now, I want to clarify one thing. For the



New regulations by the IRS mean big changes for how servers get paid on large tables, if they do at all. PHOTO COURTESY OF MCT CAMPUS

most part, serving is a great gig. It pays well (usually), and it’s not terribly unpleasant (sometimes) and for a part-time job in college, it’s better than most.

But working behind the scenes, you interact with a very different world than Elon’s warm, insulated, money-injected atmosphere. The average Chili’s waitress is there to provide for her family, not for another round of drinks next weekend. And for people whose families and livelihoods depend on what’s left on the table

after you leave, changes in how they get paid can have a huge impact.

Odds are the generous folks at the IRS aren’t going to change their minds, and servers all over the country will probably end up taking one more hit to their wallets. So the responsibility falls on you, the Bloomin’-Onion-ordering, endless-breadstick-consuming customer. Tip us what you should, and we’ll make it worth your while. In fact, there just might be an extra breadstick in it for you.

LETTER TO THE STUDENT BODY

To the student body of Elon University,

By now, you are likely aware of an incident last weekend in which a swastika, the letters “KKK” and a sexually explicit image were drawn on the whiteboard outside two students’ room in a dorm on campus. The residents of that room identify as African-American and Jewish. Perhaps, like us, you were horrified but did not feel there was anything you could do about it. We write this letter as thirty of our fellow students who want to get you not feeling angry, sad or disappointed but to ignite a greater student response.

At a university that “strives to create a campus climate which understands the value of difference, honors the dignity and humanity of each community member and engages our differences respectfully,” these recurring incidents show that we, as a student body, aren’t holding up our end of that bargain. Even if our own words and actions aren’t discriminatory, we fail one another when we stand by

and watch without speaking up. If we want every student to feel they belong here, that they are part of the Elon family, we’ve got to have each other’s backs. This means showing our support and our outrage when someone in our community is discriminated against and it also means having the courage to call our own friends and classmates out when hurtful things are said.

Maybe we think that these incidents are blown out of proportion or maybe we are all a little desensitized from all the conversations about inclusion and diversity. Perhaps we think these incidents are not products of malicious intentions or that “it was just a joke.” In the end, intentions are irrelevant when people feel threatened, unwelcome or devalued. A word that isn’t offensive or hurtful to me may be hurtful to the person next to me in class, to my roommate or to a stranger in the dining hall. We’re not asking for everyone to think alike, to agree or to even all be friends, but to recognize that how we express our differences and

disagreements matters. What we are calling for is civility so we can create the environment we want to live in. Instead of waiting for faculty, staff or certain individuals to create it for us.

As students we have the power to create our own experiences and ample opportunities to engage with one another. It is our responsibility to make sure that is done with respect to every individual involved, and that includes not staying silent when acts of violence, hatred or discrimination occur. As Martin Luther King Jr. said, “If you are neutral in situations of injustice, you have chosen the side of the oppressor. If an oppressor has its foot on the neck of a man, and you say that you are neutral, the man will not appreciate your neutrality.” If we are bystanders to discrimination, we are part of the problem. This is a student issue that will only be solved by students, and we believe the first step is simply to start speaking up for one another.

Therefore, on behalf of every Elon student who is pissed off, let it down, rile it up or beaten it down, we want to make those feelings known

and show our solidarity with every individual who has been made to feel unwelcome here, that we are sorry for our own complicity and we want to be better. If you’re with us, let us hear it. One way you can do this is by wearing one of the “We are Elon” t-shirts which were distributed at Tuesday’s College Coffee and knowing what the intentions of these t-shirts are. We imagine these t-shirts as a visual reminder of the part we all play in creating and maintaining an inclusive community. Wearing this t-shirt in lectures you will speak out against offensive language or actions whenever you encounter them. This is just one way to start taking our part in making this university a place where everyone feels like they belong. With that in mind, let’s start celebrating our differences, start disagreeing and start putting our feelings into actions. Love our school enough to change it.

Sincerely,

Jenna Williams, Sarah H. Johnston, Paige Hansbury