

2025 Payroll & HR Cheat Sheet For Colorado

At ProService Hawaii, we're here to help you untangle the complexities of being an employer in Hawaii - including navigating all the laws!

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1 2025 Rates, Limits & Caps

Tax Updates

- **Social Security** - Employers and employees pay 6.2% of wages up to the taxable maximum of **\$176,100** (2025) with a maximum withholding of **\$10,918.20**.
- **1.45%** of wages for Medicare.
- Additional **.9%** for Medicare when wages exceed **\$200,000**.
- **SUTA** - The wage cap for state unemployment taxes is **\$27,200**

Mileage Updates

- 70 cents/mile driven for **business** use.
- 21 cents/mile driven for **medical** purposes.
- 14 cents/mile driven in service of **charity** orgs.

Deferred Compensation Limits

- 401(k) plans: **\$23,500; \$7,500*; \$11,250****
- 403(b) plans: **\$23,500; \$7,500*, \$11,250****
- 457 plans: **\$23,500; \$7,500*, \$11,250****
- Simple IRA/401(k): **\$16,500; \$3,500*; \$5,250****
- IRA (after tax deduction): **\$7,000; \$1,000*; \$1,000****
- Healthcare FSA: **\$3,300** (FSA carryover: **\$660**)
- Parking/Transit Account: **\$325**
- Dependent Care Account: **\$5,000**
- HSA - Simple Coverage: **\$4,300, \$1,000*****
- HSA - Family Coverage: **\$8,550, \$1,000*****

*Additional catch-up contributions for people ≥50 years old
**Super catch-up contribution for people between ages 60-63
***Additional catch-up contributions for people ≥55 years old

NOTE: This guide is not an all-inclusive list of all state and local laws. It is provided for informational purposes only. It is not for the purpose of establishing an attorney-client relationship or providing legal or tax advice, and should not be relied upon as legal or tax advice. As employment law is a dynamic and ever evolving field, you should contact an attorney to obtain advice with respect to any particular issue or problem.

2 Wage & Break Laws



Minimum Wage Colorado - \$14.81 / hr

Denver - \$18.81; Edgewater - \$16.52; Boulder County (only unincorporated areas) - \$16.57; Boulder (City) - \$15.57

Tipped Minimum Wage Colorado - \$11.79 / hr

Denver - \$15.71; Edgewater - \$13.50; Boulder County (only unincorporated areas) - \$13.55; Boulder (City) - \$12.55

Meal Break Laws

Employees are entitled to an uninterrupted and duty-free meal period of at least 30 minutes when a scheduled work shift exceeds 5 consecutive hours.

Rest Breaks

Certain employees in industries below must receive a 10-minute paid rest break for every 4 hours worked. The rest break should be provided as close as possible to the middle of each 4-hour work period.

- Retail and service occupations;
- Occupations dealing with food and beverages;
- Health and medical occupations; and
- Commercial support services.
- A missed rest break is treated as 10 minutes of uncompensated time for the employee.

Overtime Pay*

1.5x

For all hours in excess of: 1) 40 hours per workweek, 2) 12 hours per workday, or 3) 12 consecutive hours without regard to starting and ending time of the workday, whichever calculation results in the greatest payment of wages

Tipped Overtime:

The rate of overtime pay for employees receiving tip income should be based on the full minimum wage rate (less tip credit), not the lesser tipped minimum wage rate.

*Certain employees may be exempt from overtime requirements under federal and state laws.



Final Paychecks

- **Fired/Laid off:** Wages or compensation for labor or service earned, vested, determinable, and unpaid at the time of discharge is due and payable immediately.
- **Quit/Resign:** When employees quit or resign, wages or compensation is due and payable the next regular payday.
- **Labor stoppage:** In the event of any strike, the unpaid wages or compensation earned by a striking employee is due and payable on the next regular payday, and payment or settlement must include all amounts due without abatement or reduction.
- **Separation paperwork:** Employer Separation Form 22-234 must be provided to employees.

3 Hiring Laws

New Employee Notices (may be included in the employee handbook):

- Written notice of the right to be free from unfair employment practices related to pregnancy and childbirth
- Notice of the rights under the Colorado Health Families and Workplaces Act (HFWA)
- Notice of the Colorado Family and Medical Leave Insurance program (FAMLI)
- Current Colorado Overtime and Minimum Pay Stands (COMPS) Order

Salary History

- Prohibits employers from asking about an applicant's pay history
- Relying on pay history to determine an employee's wage rate

Job Application Fairness Act

Bars employers from requesting age related information on employment applications

"Ban the Box"

Prohibits employers from asking applicants on initial application if they have a criminal history

Pay Transparency

- Employers must make reasonable efforts to announce, post, or make known all opportunities for promotion to all current employees on the same calendar day.
- Employers must disclose in each posting for each job opening the hourly or salary compensation, or a range of the hourly or salary compensation, and a general description of all benefits and other compensation offered.
- Colorado law is very extensive and if an applicant is expected to work in Colorado, even if they are from a different state, the employer must comply with Equal Pay for Equal Work Act provisions.

Anti-Discrimination

Can't make employment decisions based on:

- Disability (mental or physical)
- Race (includes hair texture, hair type, hair length, or a protective hairstyle commonly or historically associated with race)
- Creed
- Color
- Sex
- Sexual Orientation
- Gender Identity
- Gender Expression
- Religion
- Age (40+)
- National Origin
- Ancestry
- Marital Status
- Marriage to a co-worker
- Pregnancy, childbirth, and related conditions
- Wage Transparency Act (sharing / comparing wage information with coworkers)

4 Employee Leave Laws/E-Verify

Colorado Paid Family and Medical Insurance (FAMLI)

- State program that provides up to 12 wks (16 for pregnancy) of paid time off;
- For serious health condition of the employee or a family member; birth of child/adoption/foster-care placement; parent caring for child in first year after birth/adoption/foster-care placement; bonding in year 1; receive care / services related to victim status – domestic, sexual, or criminal harassment;
- Job protection after 180 days of employment;
- Cost is split between employer and employees
- Employers with 10 or more employees nationwide must pay the employer premium.

Family Medical Leave (FMLA)* For employers with ≥50 employees

- For serious health conditions of employees or family members or newly born/adopted child
- Military Family Leave because of a qualifying exigency
- Unpaid leave (up to 12 wks) for qualified reason
- Must have 12 months tenure and worked ≥ 1,250 hours during such 12 month period

Domestic Violence Leave

- Employees who are victims of domestic abuse, stalking, sexual assault or any other crime related to domestic abuse may request up to three (3) days off in a twelve-month period. Time off is unpaid; however, employee may opt to use available paid time off.

Military Leave

- For active duty, training, or related leave; unpaid, job protected leave

Bereavement

- This is a use of Paid Sick Leave allowed under Healthy Families Workplace Act (HFWA) and does not create additional leave.

Vacation & Sick Leave

- Vacation leave not required by law
- If vacation is provided, earned but unused hours must be paid upon separation.
- "Use it or lose it" vacation policies are not allowed.
- Under the HFWA, all employers must provide paid sick leave to their employees, accrued at one hour of paid sick leave for every 30 hours worked, up to a maximum of 48 hours, no more than 48 hours may be earned, taken, or carried over.

Voting Leave

- Up to 2 hours paid when the polls are open. Employers may specify when the employee may leave, but, if the employee requests, leave must occur at the beginning or end of a shift. However, if a shift starts or ends three or more hours between the times the polls open and close, this law does not apply as there is adequate time to vote before or after an employee's shift.
- Employees must apply for such leave prior to Election Day.

Court Duty Leave

- Employers must provide paid time off equal to \$50 per day for the first 3 days of jury duty leave; any additional time off may be unpaid.
- Time off to serve as a witness may be unpaid.

E-verify

- Colorado - May only require public employers to use
- Denver - Contractors must use E-Verify as a condition of being awarded a city contract.

5 Benefits

Workers' Comp

- For injury/illness on the job
- Compensation (wage replacement) benefits will be based on 2/3 of average weekly wage up to a maximum set by law
- No compensation is payable for the first 3 days' disability unless the period of disability exceeds two weeks

Temporary Disability

- Colorado does not have TDI
- FAMLI available if eligibility requirements are met

ColoradoSecure Savings

- Employers with 5 or more employees are required to offer a qualified retirement savings plan or use the Colorado plan