

550.1234

Memorandum

To: West Los Angeles – Auditing (AB)Date:

August 8, 1977

From: Tax Counsel (WEB) - Headquarters

Subject: REDACTED TEXT

This is with reference to your telephone inquiry relating to the hourly labor charge paid restaurant employees of the above-named taxpayer.

We understand that the restaurant employees are required to remain on the business premises for an 8-hour shift period, but are authorized to have one-half hour for lunch during each shift. The employees are paid a flat sum of money for each 8-hour shift. Overtime pay is computed at an allocatable portion of an eight-hour work day.

It is our conclusion that the employees are being paid for an 8-hour shift and that this payment basis should be used in determining the hourly wage and the value attributable to employees' meals.

WEB/vs