

Vasquez Stands with Workers, Champions Permanent No Tax on Tips & Wage Hike for Tipped Workers

ALBUQUERQUE, NM, UNITED STATES, August 19, 2025 /EINPresswire.com/ -- On August 18, 2025, U.S. Representative Gabe Vasquez (NM-02) stood in solidarity with workers at Barel's Coffee House in Albuquerque, expressing his support for making "no tax on tips" permanent policy and increasing the minimum wage for tipped workers — both measures included in the [TIPS Act](#) he is spearheading.

"Tipped workers deserve to take home more of their hard-earned pay, but the current sham version of 'no tax on tips' isn't going to cut it," said Vasquez. "The reality is, under the law Republicans just passed, every worker will still pay taxes on tips and overtime, and they'll see increased costs from rising health care premiums, food, and utility costs. New Mexico's tipped workers help power local economies and the hospitality industry. They deserve better than this, and we're working to fix this with the TIPS Act."



Rep. Vasquez Serves Customers

At the event, Rep. Vasquez donned an apron and worked alongside tipped workers, taking orders and serving food. He also met with workers and advocates from One Fair Wage to hear their concerns about the impact the Republican tax law is having on their ability to make ends meet.

"This tax law was crafted by Republicans to fund permanent tax cuts for the wealthy, while temporary perks like 'no tax on tips' and 'no tax on overtime' were just sweeteners to sell the deal to working Americans. But as you can see today, workers aren't fooled — they see this for the bad deal it really is," said Vasquez. "That's why I am standing with workers in their fight for the permanent, meaning solutions offered by the TIPS Act."

Of note, Rep Vasquez flagged the following shortcomings of the current version of “no tax on tips” under the Republican tax law:

- Workers will still pay taxes on tips and overtime every single month.
- More than one in three tipped workers — and two thirds of restaurant workers — already pay \$0 in federal income tax based on their tax bracket, so they will feel no benefit.
- The Republican versions of “no tax on tips” and “no tax on overtime” expire at the end of 2028 — meaning the select workers who benefit will only benefit four times: once a year when they file annual federal taxes for 2025 through 2028.
- Paycheck-to-paycheck, tipped workers who are struggling to get by will feel poorer overall, as their pay flatlines and the cost of other things — like health care, utility bills, and food — skyrocket because of H.R. 1.

Rep. Vasquez is a cosponsor of H.R. 1314, the Tipped Income Protection and Support (TIPS) Act, to permanently eliminate federal income taxes on tips and end the sub-minimum wage for tipped workers. Under current law, tipped workers in New Mexico earn a subminimum wage of just \$2.13/hour before tips — putting them well below the poverty line, despite working some of our communities’ most essential roles.

###

Delaney Wehn
Office of Rep. Gabe Vasquez
+1 724-249-7158
[email us here](#)

This press release can be viewed online at: <https://www.einpresswire.com/article/841032912>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2025 Newsmatics Inc. All Right Reserved.



Rep. Vasquez with Tipped Workers at Barelas Coffee House