

## 29 C.F.R. § 779.421

---

### Basic rate for computing overtime compensation of nonexempt employees receiving commissions.

---

The overtime compensation due employees of a retail or service establishment who do not meet the exemption requirements of section 7(i) may be computed under the provisions of section 7(g)(3) of the Act if the employer and employee agree to do so under the conditions there provided. Section 7(g)(3) permits the use of a basic rate established, pursuant to agreement or understanding in advance of the work, in lieu of the regular rate for the purpose of computing overtime compensation. The use of such a basic rate for employees of a retail or service establishment compensated wholly or partly by commissions is authorized under the conditions set forth in part 548 of this chapter.

This document is only available to subscribers. Please [log in](#) or [purchase access](#).

[Purchase Login](#)