



## Question:

How do I calculate overtime when an employee takes PTO and gets paid for more than 40 hours in the workweek?

## Answered by the HR Experts

You're only required to pay overtime when a nonexempt employee *works* more than 40 hours in a workweek. Paid time the employee didn't work—such as vacation, paid holidays, or sick leave—doesn't count towards hours worked for overtime purposes.

A couple of examples:

- If an employee takes 8 hours of sick leave on Monday, then works four 10-hour shifts on Tuesday through Friday, they would be paid for 48 hours total: 8 sick leave hours at straight time and 40 worked hours at straight time. Because the employee only *worked* 40 hours, no overtime is owed.
- If an employee is paid 8 hours for a non-working holiday on Monday, then works five 10-hour shifts on Tuesday through Saturday, they would be paid for 58 hours total: 8 holiday hours at straight time, 40 worked hours at straight time, and 10 overtime hours for the hours worked over 40 in the workweek.

**Overtime rules can vary by location, so check your [state or local laws](#) for additional requirements.**

*This Q&A does not constitute legal advice and does not address state or local law.*