

UNITED STATES DEPARTMENT OF LABOR
Office of the Solicitor
August 5, 1942

LEGAL FIELD LETTER

NO. 77

SUBJECT: Sale of Gasoline by an Employer to His Employees Considered
the Furnishing of a "Facility" Under Section 3(m)

In Legal Field Letter No. 69, page 27, we expressed the opinion that the sale of gasoline by an employer to his employees was not the furnishing of a "facility" within the meaning of section 3(m) of the Act, and that it was, therefore, improper for him to make any deduction from their wages where the deduction cut into the minimum wages or overtime compensation due them under the Act.

Upon reconsideration of the question, we are of the opinion that the views expressed in that legal field letter should be abandoned since we have extended the term "other facilities" to include general merchandise furnished at company stores. Since it is difficult to distinguish gasoline, in principle, from such general merchandise, it would seem consistent to consider gasoline a "facility" under section 3(m). Hence, we believe that an employer may make deductions from his employee's wages for the price of gasoline sold to them, provided that the price at which the gasoline is sold does not exceed its actual cost to the company, and the deduction otherwise meets the requirements laid down in Regulations, Part 531, and Interpretative Bulletin No. 3.

This opinion supersedes the opinion expressed in Legal Field Letter No. 69, page 27.