

# YOU & the LAW



## Ledbetter law helps employees fight wage discrimination

The Lilly Ledbetter Fair Pay Act of 2009 is a federal law that provides workers who are victims of wage discrimination a more even playing field if they file a lawsuit. The law restores some worker rights that were weakened when the U.S. Supreme Court ruled 5-4 against Lilly Ledbetter, an employee at an Alabama tire manufacturer.

Various federal laws ban workplace and hiring discrimination, and wage discrimination is specifically prohibited by the Equal Pay Act of 1963, which protects both men and women. Putting it another way, a woman who performs the same job as do men for the same company at the same location should not be discriminated against in her pay.

Those requirements became law decades ago, but the wage law received a setback due to a U.S. Supreme Court ruling in 2007.

Ledbetter filed a wage discrimination lawsuit against her employer and was awarded \$3 million by a jury.

However, the Supreme Court overturned the award, saying Ledbetter was required to have filed her lawsuit six months after the discrimination



started, meaning around the time she received her first paycheck. Ledbetter did not become aware until she worked in her job for 19 years that men in jobs similar to hers at the company were being paid 40 percent more. She filed her lawsuit after learning of the wage discrimination.

The Lilly Ledbetter Fair Pay Act of 2009 restored the law to how it was prior to the Supreme Court ruling, bringing back a point of law that gives workers a more even chance of winning a wage discrimination lawsuit against a big company. In practical terms, the Ledbetter law says that employees have six months after compensation is received rather than when the employer decided to discriminate.

### Filing a charge

A worker can initiate a lawsuit on his or her own or can file a charge of discrimination with the Equal Employment Opportunity Commission. The EEOC is authorized to investigate the charge and bring an action on behalf of an employee or a group of employees. Employees who file such lawsuits or EEOC complaints must have solid proof that the discrimination took place.

Numerous factors come into play in proving wage discrimination, such as the work among employees must be substantially equal; it must require equal skill, responsibility and effort; and it must be performed under similar working conditions.

Contact the EEOC or an experienced attorney if you believe you're being paid less than other workers of a different sex doing the same job at your work site. Visit the EEOC website at [eoc.gov](http://eoc.gov) for more information and to obtain a complaint form.

Although her \$3 million award was overturned and Lilly Ledbetter received no compensation for going through 19 years of wage discrimination, she has remained active in the cause of worker rights.



## What's next for the Affordable Care Act?

Few new laws in recent U.S. history have generated as much debate as the federal Patient Protection and Affordable Care Act.

Results of the 2012 presidential and congressional elections and the U.S. Supreme Court's ruling upholding key provisions of the law make it probable that the health-care reform law will now be fully implemented even though some major opponents pledged to repeal the law. Also, there's always the possibility that the new law could be amended.

Congress passed and the president signed into law the Patient Protection and Affordable Care Act in 2010. The law has numerous goals that include extending health-care coverage to all Americans, lowering medical costs, reforming certain insurance company practices, and establishing "health insurance exchanges" designed to help individuals and small businesses find affordable insurance.

Opponents of the health-care law argued that it would cost taxpayers too much to implement, was

a "big government" intrusion into people's lives, forced people to buy insurance even if they didn't want it, and increased costs for businesses. Supporters said the law will provide some 30 million Americans — many of them of limited financial means — with health insurance coverage they did not previously have, would require coverage for people with pre-existing illnesses, and would help control rising health-care costs.

The Affordable Care Act is being implemented in stages. Some of the law's provisions that will take effect in 2013-14 involve allowing states to expand Medicaid coverage to

additional low-income individuals and families. Medicaid is the federal health-care program for low-income people.

The law has tax and other implications mostly for higher income taxpayers and companies of 50 or more employees that don't offer health insurance for their workers. Starting in 2014, individuals also face consequences if they do not obtain health insurance. Some companies in the medical field will also pay some additional taxes. Some of the additional revenue raised will go to support the Affordable Care Act.

The new law will also provide subsidies to help lower-income people obtain health insurance. The mechanism for this is what is known as health insurance exchanges. Similar to online services that allow consumers to shop for the lowest prices on items, an exchange will allow for comparison shopping for health insurance.

Additional information about the new law can be obtained at: [healthcare.gov](http://healthcare.gov), [enrollamerica.org](http://enrollamerica.org), [healthcareandyou.org](http://healthcareandyou.org), and [kff.org](http://kff.org).



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## Knowing the law: What's an administrative law judge?

If you've ever needed to appeal a claim for Social Security disability benefits, been turned down for a state liquor license or were involved in any of hundreds of disputes that could occur with a government agency, your case might have ended up before an administrative law judge.

Many state and federal departments use administrative law judges, often to handle cases in which someone is appealing a decision made by a government agency. Administrative law judges are governmental

employees and will usually have a high level of expertise in the types of cases over which they preside. For example, an administrative law judge for the U.S. Environmental Protection Agency will likely be knowledgeable of the country's environmental laws and regulations.

Decisions made by an administrative law judge can sometimes be appealed to another level, such as a state or federal district court. Cases before administrative law judges are often handled in a less formal manner

than in a regular court. For example, there are no juries in such cases.

While the process may be somewhat less formal, it is often wise for an individual to obtain the assistance of an attorney when presenting a case before an administrative law judge.

Administrative law judges serve an important role in reducing the large number of cases that are handled by the courts. They can also help move cases faster through the system.

# Common myths about taxes

Taxes were a popular area of debate and discussion long before Benjamin Franklin wrote more than 200 years ago that: “In this world nothing is certain but death and taxes.” Taxes and citizens’ duty to pay them are even discussed in the Bible.

In the United States, the complexity of our tax system contributes to some of the many misunderstandings and myths that citizens have about this subject. It is said the U.S. tax code runs longer than 1 million words. While few people can honestly say they enjoy paying taxes, it’s an obligation we must fulfill as citizens.

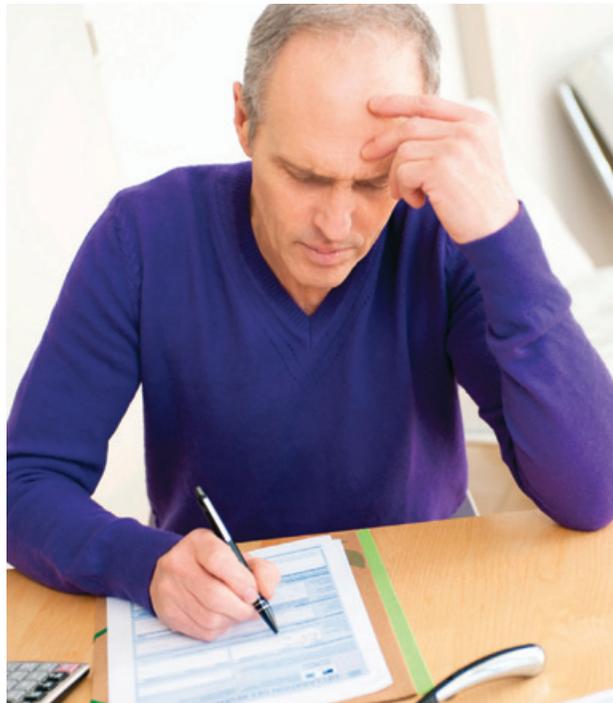
An Internet search of popular myths and misunderstandings about U.S. taxes turns up volumes of websites, articles, commentaries, advice columns and other discussions about the subject. Here are several common misconceptions, presented in no particular order.

## ***I don’t have to file a tax return because I don’t owe additional taxes this year.***

According to the Internal Revenue Service: “You must file a federal income tax return if your income is above a certain level; which varies depending on your filing status, age and the type of income you receive.” In other words, you probably need to file a return.

## ***Most people don’t pay any taxes.***

It is estimated that 40 percent to 50 percent of individuals have no federal income tax due in a given year. That number fluctuates, often depending on national economic



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factors that influence the amount of wages earned by workers. However, the federal income tax is but one of many taxes paid by Americans. Every time you put gasoline in your vehicle or buy an item at a store, you’re probably paying a type of sales tax. People also pay certain state and local taxes that can include income tax, sales tax on items you purchase, property taxes if you own a home or other real estate, taxes on a vehicle, and even taxes on inheritances over a certain amount. And, there are always Social Security and Medicare taxes that are taken out of your paycheck, even if you don’t owe any federal income taxes.

## ***The IRS goes around auditing everybody it can.***

The IRS receives millions of tax returns every year but audits are conducted on only 1 percent to 2 percent of these. Most IRS inquiries are handled by mail and often

involve answering questions regarding more specific items in your filed return. The question could involve something as simple as a math error. The IRS also uses a scoring system that compares returns of those submitted by others with jobs, income and other circumstances similar to yours. If something seems out of the mainstream — say an unusually large deduction — the IRS might set aside that return for further review.

## ***It’s a good thing to get a big tax refund.***

Most tax experts will tell you that paying too much in taxes during the year is like giving the government an interest-free loan. If you like the idea of having a nice check coming to you after filing your tax return, try putting the extra amount in an interest-bearing account every month. At the end of the year, you’ll not only have that money but also a little interest on it. But make sure not to underestimate what you owe because you could then be subject to interest and penalties.

## ***Does getting an extension to file my tax return mean I don’t have to pay any additional taxes due until I send in my tax return?***

Millions of taxpayers obtain a filing extension each year, but a filing extension doesn’t excuse you from sending in any taxes that might be due. You should make your best effort to calculate taxes that are due by the normal April 15 filing date and pay that amount. Failing to do so could result in penalties and interest if you owe additional taxes for that particular year.



## Watch out for fake lawyer scams on Internet

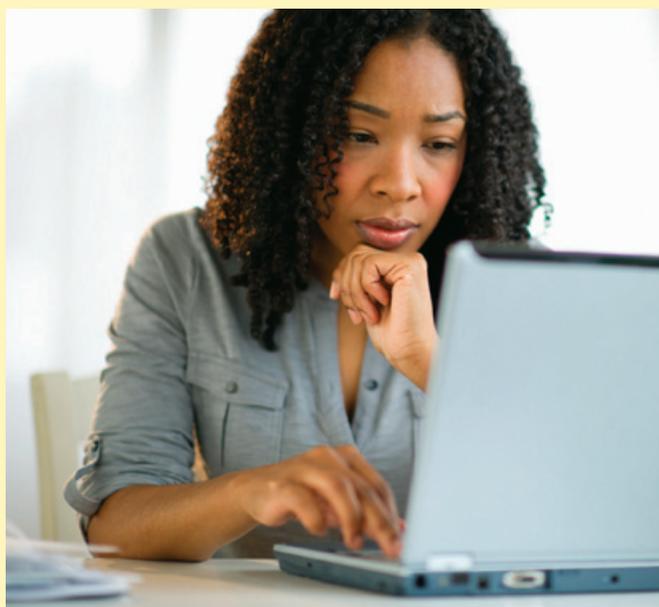
Authorities are warning consumers to do some homework when hiring a new attorney, especially a lawyer with whom they have not previously worked.

While websites and phone book ads placed by law firms are usually legitimate, authorities are reporting new scams that involve people impersonating real, reputable lawyers.

The Internet Crime Complaint Center says a scam surfaced in Texas in which the identity of a Texas attorney, who had not practiced in years, was used to set up a fake law firm website using the lawyer's name and former contact information.

The Internet Crime Complaint Center says other attorneys have complained about use of their names and professional information to solicit legal work.

Scams involving fake lawyers



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can take a number of shapes. For example, a fake law firm might instruct a "client" to send the firm a fee prior to a face-to-face meeting, may ask for private information that opens the door to ID theft, or might call or send an email saying the victim owes a debt.

Fake lawyer websites can show up when a consumer conducts an Internet search for a law firm.

Ways to help you choose a reputable attorney/law firm include:

- ✓ Try to use an attorney with whom you've already worked.
- ✓ Get referrals from friends, relatives and other trusted people.
- ✓ Check with reputable organizations to which lawyers belong, such as state and local bar associations.
- ✓ Meet with your prospective lawyer at his or her law firm.

- ✓ Keep in mind that some scam artists assume the identity of real lawyers, so follow up initial contacts with face-to-face visits at the firm's office.

Suspected Internet scams can be reported to the FBI at the Internet Crime Complaint Center at [IC3.gov](http://IC3.gov).

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