

Salary increase notification email template

Confirm a raise in writing with the new pay, effective date, and the reason behind it.

Updated October 15, 2026. Written and reviewed by the HRTally Research Team.

When to use this template

Raises should be delivered in a conversation first, usually by the manager, then confirmed in writing. This email is the written confirmation. It states the old and new pay, the percentage, the effective date, when it will show on a paycheck, and, most important, why. Employees remember the reason long after they forget the number.

Whether the increase is a merit raise, a market adjustment, a promotion, or a cost of living increase, say which. Specific recognition makes a modest raise feel meaningful, and a generic note makes a generous one feel routine. Our salary bands guide explains how to place increases within a range, and compensation management software can generate these letters during a merit cycle.

Version 1: Merit increase

SUBJECT Your salary increase, effective [Date]

Hi [Employee first name],

Following our conversation, I'm happy to confirm your salary increase.

Current salary: \$[Amount] per year

New salary: \$[Amount] per year ([Percentage] increase)

Effective date: [Date]

First paycheck with the new rate: [Pay date]

This increase reflects [specific contributions, such as leading the transition to our new scheduling system and consistently strong customer feedback]. Thank you for the work behind it.

If you have any questions about your pay, please ask me or [HR contact].

[Manager name]

[Title]

Version 2: Hourly rate increase or market adjustment

SUBJECT Your new pay rate starting [Date]

Hi [Employee first name],

Your hourly rate is increasing from \$[Old rate] to \$[New rate], effective [Date]. You will see the new rate on your paycheck dated [Pay date].

This is a [market adjustment / annual increase] based on [reason, such as our annual review of pay for this role against local rates].

Thank you for everything you do.

[Manager name]

Subject lines to try

- Your salary increase, effective [Date]
- Your new pay rate starting [Date]
- Confirming your raise
- Pay update for [Year]
- Good news about your pay

How to personalize it

- Have the conversation before the email arrives.
- Show the old rate, new rate, and percentage.
- Give the reason, tied to specific work.
- Name the first paycheck that will reflect the change.

Mistakes to avoid

- Comparing the raise to coworkers' raises.
- Promising future increases.
- Sending a raise letter with the wrong numbers. Have payroll check it.
- Calling an inflation adjustment a merit raise, or the reverse.

Legal and compliance notes

Several states require written notice of pay changes. New York's Wage Theft Prevention Act requires written notice of a change in pay rate unless it's shown on the next wage statement, and California requires notice to nonexempt employees within seven days of changes not shown on the wage statement. Keep raise decisions consistent with your pay equity practices, since pay differences must be explained by job-related

factors under the Equal Pay Act and state laws.

| When to send it

Send the written confirmation the same day as the conversation. Make sure the effective date gives payroll enough time to process the change before the cutoff for the paycheck you named.

| Before you hit send

- Payroll has checked every number in the email against the system.
- The effective date leaves enough time before the payroll cutoff.
- State notice rules for pay changes were checked for each affected state.
- The email doesn't mention anyone else's pay.
- Tax treatment, such as supplemental withholding, is explained in plain words.

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