



# Commuter Benefit Accounts

“ADDRESSING THE PRE-TAX BENEFITS AVAILABLE FOR EMPLOYEES THAT COMMUTE TO AND FROM WORK.”



With raising gas cost commuter benefits accounts are one the highest valued voluntary benefits now being offered by many employers. Part of a transportation benefit offered under IRS code 132, this allows employees to pay for qualified travel expenses on a pre-tax basis. One of the easiest ways to pay for these qualified expenses is through flexible spending commuter benefits accounts.

Money is deducted directly from each paycheck on a pre-tax basis for qualified expenses each month. Depending on the charges, a debit card can be used to pay for such items at the point of purchase or a claim can be filed and reimbursement will be made.

Below are the main categories of qualified expenses along with some limitations and advantages on how commuter benefit accounts can be used.

**Mass Transit:** Limited to \$115.00 each month. Expenses include transit passes, tokens, fair cards, vouchers, vanpool or other such items used for mass transit travel.

**Parking:** Limited to \$220.00 each month. Expenses include monthly parking passes as well as parking meter fees. To qualify, expenses must be incurred for parking a vehicle near a place of employment or a location from which one commutes to work via mass transit or carpool.

- ◆ **Up to 40% tax savings on work-related travel expenses through pre-tax deduction.**
- ◆ **Debit Card Available to pay for eligible expenses.**
- ◆ **Funds carry over from year to year as long as the employee remains eligible.**

	Without Commuter Benefit	With Commuter Benefit*	Savings* (based on 28%)
<b>Monthly Transit Cost</b>	\$115.00	\$82.80	\$32.20
<b>Monthly Parking Cost</b>	\$220.00	\$158.40	\$61.60
<b>Total Monthly Cost</b>	\$335.00	\$241.20	\$93.80

\*savings may vary depending on individual tax bracket



3429 Stony Spring Circle  
Louisville, KY 40220

(502) 499-2501 ◆ (888) 739-8587

Please call for more information

u u u