



COMMUTER CHOICE

Tax Savings for Commuters

YOUR EMPLOYER sponsors the Commuter Choice program to help you pay for certain parking and transportation expenses you incur to commute to work.

Tax Savings Illustration	Before	After
Paycheck Total Earnings	\$3,000	\$3,000
Pre-Tax Commuter	\$0	-\$120
Taxable Earnings	\$3,000	\$2,880
Federal Taxes	-\$545	-\$515
Soc Sec/Medicare	-\$170	-\$163
State/Local	-\$227	-\$214
Net Paycheck	\$2,058	\$1,988
After-Tax Commuter	-\$120	\$0
Take Home Pay	\$1,938	\$1,988
Monthly Tax Savings		\$50
Annual Tax Savings \$600*		

If you elect to participate in the Commuter Choice benefits, you can save 20% to 42% of the cost of your Commuting expenses. In this example, the Employee saves \$50 each month by using Commuter Choice to pay their \$120 monthly commuting expenses pre-tax.

You can get 2 to 5 months of Commuter expenses FREE each year by paying less tax!

When you participate in Commuter Choice, your contributions are taken off the top of your pay, before taxes are calculated. When you use your Commuter benefits, they are tax-free which reduces your taxes and increases your take-home pay.

* Illustration demonstrates 42% (maximum) tax savings. Your actual savings will depend upon your income, location and personal/family tax situation.

Commuter Choice offers two benefit options:

Mass-Transit You can set aside up to \$280 per month** pre-tax to pay for transportation by train, light-rail or by a public or subscription bus or the costs of an eligible vanpool. An eligible vanpool transports 7 or more adults, including the driver, for the majority of the commute, including uberPOOL and Lyft Shared Rides costs.

Parking You can set aside up to \$280 per month** pre-tax to pay for your parking expenses at or near your primary, long-term business location, or parking at or near a “park and ride” or similar location if you use mass-transit.

Eligible Expenses Your personal work-related commuting expenses are eligible if they are incurred while you are an active participant. You can be reimbursed or use your Benefits Card to pay for eligible Parking expenses. Generally speaking, Transit expenses are only eligible if paid using your Benefits Card. An expense is incurred when you receive the services. Commuter expenses during vacations or holidays are not eligible. However, parking expenses during your short-term vacation are eligible if required to “hold your spot.”

** The monthly contribution and eligible expense limits for each benefit are subject to annual cost of living adjustments. Limits shown are for 2022.

Eligibility Only “W-2” employees can participate. Also, part-time employees and independent contractors are not eligible to participate. A part-time employee is someone who works, or is expected to work, less than 30 hours a week (20 hours per week in the San Francisco Bay Area, 10 hours in the Cities of San Francisco, Richmond, and Berkeley or at the San Francisco Int’l Airport) or as otherwise mandated by local ordinance.

Elections Your elections are your estimates of how much you expect to spend over the year for the benefit options, Mass-Transit or Parking. The Mass-Transit and Parking benefits require separate elections and allow different expenses. The balances cannot be co-mingled or transferred. Eligible employees can elect to enroll in or change their elections during the year and that change will be effective on the first day of the following pay period.

Active Participant An “Active Participant” in a Commuter Choice benefit in any month is an active, eligible employee who contributes \$1.00 or more during the month for that specific benefit, Mass-Transit or Parking.

Debit Card YOUR EMPLOYER offers a Benefits Card for you to use to pay your Commuter expenses, including reloading your Transit system card online. The card won’t work for Commuter expenses if you load your card at a grocery or drug store. The maximum benefit available is limited to a) the “cash” balance in your account at the time you swipe the card or b) the balance of eligible monthly expenses, whichever is less.

Transit Benefits **Use the FlexToday Debit Card to pay for your Transit expenses.** After the first time you use your card, you will receive an email asking you to provide documentation to support that transaction. Thereafter, transactions for the same provider and the same amount will be automatically approved.

Uber/Lyft You can use your Benefits Card to use your Transit benefits with the uberPOOL or Lyft Shared Ride programs which are shared rides with at least six passenger seats.

Transit Reimbursement IRS regulations limit the reimbursement of Transit expenses to situations when payment using the Debit Card was not possible because your card is lost or stolen. A special one-time exception [manual claim](#) form is required to request reimbursement in those situations.

Monthly Limits The IRS limits the eligible expenses for reimbursement or payment to \$280 per month for Mass-Transit and \$280 per month for Parking; amounts in excess of those monthly limits are not eligible. Benefit card transactions apply to the monthly limits based upon the transaction date. For example, a monthly transit pass purchased on March 31st would apply to the March monthly limits, even though it will be used in April.

Parking Claims To be reimbursed from your Parking benefit account, log into your account, create a claim, print, sign and date the claim form, attach your documentation and send your claim as indicated. If you cannot provide receipts for Parking because the lot or meter does not provide receipts, make a statement to that effect on the claim.

Claim Deadlines Only Parking expenses incurred while you are an Active Participant can be considered for reimbursement or payment. The deadline to submit claims is **180-days** after the date of the expense or **90-days** after you stop being an Active Participant (terminate employment or cancel your enrollment), **whichever comes first**.

Limitations The IRS regulations allow Commuter benefits only for certain expenses related to your work at YOUR EMPLOYER. The commuting and parking expenses of your spouse and dependents are not eligible. Cancellation fees for uberPOOL and/or Lyft Shared Rides are not eligible. This program cannot reimburse or pay for other commuting expenses, such as gas, carpool costs, FasTrak fees and other toll-bridge and toll-road fees.

“Rollover” The Commuter Choice allows your benefit cash balances to rollover from month-to-month and year-to-year but only if you are an **Active Participant** contributing at least \$1.00 per month for that benefit.

“Use It or Lose It” Please monitor your account balances because while Commuter Choice allows you to rollover your benefit balances, if you terminate participation, any funds remaining in your benefit account(s) will be forfeited 90 days after you terminate employment or participation, whichever is earlier.

While YOUR EMPLOYER expects to maintain this benefit indefinitely, they have the right to amend or terminate the plan at any time. Commuter Choice is a fringe benefit and is not subject to ERISA. YOUR EMPLOYER holds the funds and pays benefits from their general corporate assets. Participating in the Commuter Choice will reduce your taxable wages which could reduce your Social Security and other compensation-related benefits.

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