



# Employee FAQ:

## Commuter Accounts

### **What is a commuter account?**

A commuter account is an employer-sponsored benefit program that allows you to set aside pre-tax (and in some cases if your employer allows, post-tax) funds in separate accounts to pay for qualified mass transit and parking expenses associated with your commute to work.

### **Why should I participate?**

Contributions to a commuter account are deducted from your paycheck on a pre-tax basis, reducing your taxable income. You can save an average of 30% on your eligible transit and parking expenses.

### **What is a qualified mass transit expense?**

Qualified expenses include transit passes, tokens, fare cards, vouchers, or similar items entitling you to ride a mass transit vehicle to or from work. The mass transit vehicle may be publicly or privately operated and includes bus, rail, or ferry.

### **What qualifies as van-pooling?**

Van-pooling is not to be confused with carpooling. Van-pooling requires a commuter highway vehicle with a seating capacity of at least 7 adults, including the driver. At least 80 percent of the vehicle mileage must be for transporting employees between their homes and workplace with employees occupying at least one-half of the vehicle's seats (not including the driver's seat).

### **What is a qualified parking expense?**

Get reimbursed for parking expenses incurred at or near your work location or a location from which you continue your commute to work by car pool, van-pool or mass transit. Out-of-pocket parking fees for parking meters, garages and lots qualify. Parking at or near your home is not an eligible expense.

### **Can I use my commuter account for commuting expenses like tolls and gas?**

No. Benefits may not be used for tolls, gas, mileage or other personal commuting expenses.

### **Can I use my commuter account to pay for business or personal travel expenses?**

No. You can only use commuter account funds to pay

for your regular commute between your home and office on mass transit or van-pools.

### **Whose commuter expenses are covered?**

Qualified expenses include those incurred for your transportation between your residence and worksite. Expenses for your spouse or dependents are not eligible.

### **Is there a limit to how much I can contribute or spend each month?**

Yes. Monthly limits are set by the IRS. Currently, contributions as well as monthly spending for transit and van-pooling are limited to \$270 per month. Parking contributions as well as monthly spending are limited to \$270 per month. Any monthly expenses above these limits cannot be exempt from taxes and cannot be applied to future months.

### **How does it work?**

You authorize your employer to deduct a pre-tax amount for parking and/or van-pooling/transit from each paycheck, up to the IRS limits stated above. You then pay for the qualified transportation with your benefits debit card.

### **Can I change my election?**

Yes. You can make adjustments to your contribution, join, or terminate plan participation at any time.

### **What happens if I don't use all of my funds at the end of the plan year?**

The money left in your account may be carried over into the next plan year, if you continue to participate in the plan.

### **Do I need to keep my receipts?**

Yes. A valid receipt should have the merchant name, date, amount of expense, and a description of the purchase for a transportation pass or parking. If you are not given a receipt, a signed claim form will be acceptable showing the amount of the expense that you incurred for that time period.

**For more information, please call 800-677-6690**