

COMMUTER TRANSIT AND PARKING

The Plan

A Qualified Transportation Fringe Benefit Plan allows you to set aside “pre-tax” dollars to pay for qualified employment-related transportation and commuter parking expenses.

There are two qualified commuter benefits:

Qualified Parking — Expenses for parking at or near the employer’s business premises or parking at or near a location from which you commute to work by mass transit, vanpooling, carpool, etc. Use your ABG Benefits Card or file a parking claim.

Transit Passes and Vanpooling — Use your **ABG Benefits Card** to purchase your pass, fare card or similar item for your transportation on a mass transit system to and from work or for the cost of transportation between the your place of residence and place of employment in a commuter vehicle that has a seating capacity of 6 persons or more (not including the driver) where at least 80% of the mileage used for the year is for the purpose of transporting you to your place of employment.



Using the Commuter Benefit

To participate in the plan, you simply estimate your qualified transportation expenses for the year, complete an Election Form indicating your estimated monthly expense(s) and submit it to your employer. Each pay period, your employer will deduct the appropriate pre-tax amount from your paycheck and credit your Parking and/or Transit Reimbursement account. You can then use the funds from these accounts to pay for your eligible transportation expenses by paying with your *ABG Benefits Card*.

IRS Limits

The IRS has placed monthly pre-tax contribution and reimbursements limits on Parking and Transit Expenses. You may participate in one or both accounts. Benefits are excluded from federal income and payroll taxes, and most state taxes, up to the monthly limits. The current monthly limits are \$325 for Parking and \$325 for Transit/Vanpooling.

The Importance of Planning

Unlike Flexible Spending Accounts, your Parking and Transit contribution amounts can be modified from month to month as your needs change. Unused contributions in your Parking and Transit accounts carry forward indefinitely to be used for future expenses as long as you remain with your current employer. **Upon termination**, balances in your transit account will be forfeited, balances in your parking account may only be used to reimburse expenses incurred prior to your termination.

If you did not use your ABG Benefits Card for a parking expense, you can file a parking claim

In order to be reimbursed for commuter Parking expenses the employee must certify that he or she incurred the expense. This is done by completing, and signing a Claim Form that provides the dates of service, the service provider or location, and the cost of the service. This form must be submitted along with receipts to American Benefits Group. In the event that receipts are not provided (if the employee uses metered parking) then the signed, completed Claim Form will be deemed sufficient certification to allow the claim to be reimbursed. [How to File A Claim](#).

Cash Reimbursements are not allowable for Transit Expenses.