

QUALIFIED TRANSPORTATION BENEFIT



WHAT IS THE QUALIFIED TRANSPORTATION BENEFIT PLAN?

A Qualified Transportation Benefits Plan offers a convenient way for employees to lower commuting costs by utilizing pre-tax dollars to pay for commuting costs. Employees who elect this benefit have the option of either using a debit card to pay for eligible expenses, or you can pay out-of-pocket for these expenses and submit a claim for reimbursement. Eligible expenses for transit include expenses associated with using any public or privately operated transit service.

ELIGIBLE QUALIFIED TRANSPORTATION EXPENSES INCLUDE:

- ❑ **Commuter highway vehicle:** A commuter highway vehicle is any highway vehicle that seats at least 6 adults (not including the driver). In addition, you must reasonably expect that at least 80% of the vehicle's mileage will be for transporting employees between their homes and work place with employees occupying at least one-half the vehicle's seats (not including the driver's).
- ❑ **Transit pass.** A transit pass is any pass, token, fare card, voucher, or similar item entitling a person to ride on one of the following:
 - **Mass transit:** Mass transit may be publicly or privately operated and includes bus, rail, vanpool, ferry, monorail, street cars or trams.
 - **A vehicle that seats at least 6 adults** (not including the driver), if a person in the business of transporting persons for pay or hire operates it.
- ❑ **Qualified parking.** Qualified parking is parking at or near your place of employment. It includes parking at or near the location from which you commute to work using mass transit, commuter highway vehicles, or carpools. It does not include parking at or near your home.



HOW DOES THE PLAN WORK?

For the 2018 plan year you may elect a pre-tax deduction of up to \$260.00 a month for commuter transportation/transit passes and up to \$260.00 for qualified parking. The combined benefit maximum is \$520.00 per month. If you choose to participate in the plan you can only use the money on the specific benefit that you elect. This means that if you elect the commuter/transit benefit you can't use that money to pay for a parking expense. In addition, if you elect both the commuter/transit benefit and the parking benefit, the money can't be used interchangeably between the two accounts.

Any unused money from your contributions may be carried over to subsequent periods as long as the amount expended doesn't exceed annual limits. While you can carry over contributions you can't carry over expenses. In other words if you incur an expense in January that is greater than your monthly target, you can't be reimbursed from future contributions to cover January's overage. However, if you incur an expense in January, that is less than your monthly target, you can carry the money forward to cover future expenses.