

Commuter Assist

Smarter transportation to work.

Save Money, Lower Parking and Transit Costs

Commuter Assist is a valuable, low-cost employee benefit for any of your staff who use mass transit, van-pooling or pay for parking in order to work. Using Commuter Assist, your employees set aside pre-tax dollars to pay these costs, a savings of up to 40%. You'll save FICA taxes too! If you like, you may also contribute.

Card Makes Purchasing Transit Passes Easy

If your transit or parking provider accepts card payments, participants use their DirectPay Benefits Card to purchase transit passes from vending kiosks and make parking payments. The money is automatically deducted from their Commuter Assist account.

Simple to Implement and Manage

Our program is easy! No special reporting, no plan documents, no annual elections. And our plan management site puts all the information right at your fingertips. We'll give you everything you'll need to educate employees and implement your plan.

IRS Compliance Assured

Commuter Assist is fully compliant with the new IRS Guidelines. Coupling the DirectPay Benefits Card with your plan assures convenience and compliance.

Employees See the Benefit Everyday

Employees love the convenience of online enrollment and home delivery. They can even set up recurring orders. Email notices and reminders keep them informed at every step. If your worksite requires employees to use mass transit and pay for parking, why not save them some money?



THE SAVINGS ADD UP. LET'S DO THE MATH.

Let's say an employee in the 25% tax bracket enrolls in both the mass transit and parking plans and contributes the maximum allowed of \$480 a month (\$220 transit, \$220 parking). Here is a breakdown of the employer and employee savings:

Annual Employer Tax Savings

FICA Savings
Social Security: \$357
Medicare: \$84

Total Employer Savings = \$441
Percent Saved = 7.65%

Annual Employee Tax Savings

Federal Income Taxes Saved	\$1440
FICA Savings	\$441
State/Local Income Tax Saved (Varies by locale; assumes 6%)	\$345

Total Annual Employee Savings = \$2226
Percent Saved = 38.6%

In this illustration, the employer would save nearly \$9000 in taxes annually for every 20 employees who participate!

Want more info?

WorkableSolutions.com/CommuterAssist



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Commuter Assist

What you need to know:

Even though it's a separate plan, Commuter Assist works a lot like a Flexible Spending Account. There are a couple of positive differences: there is no "use it or lose it penalty" and employees may come into and out of the plan as they desire. Enrollment is not limited to one annual open enrollment period and employees do not need to make a 12-month commitment. The plan consists of two options: parking or mass transit & van pooling. Participants may choose either option or both.

How does it work?

Employees elect to set aside a certain amount of pre-tax salary to cover qualified costs to commute to work and park their vehicle while they work. The employee will designate an amount for mass transit expenses and a separate amount for parking expenses. These accounts must be kept separate, and funds cannot be transferred between them.

This benefit is available to employees and even officers of the corporation since there are no non-discrimination rules. However, sole proprietors, independent contractors, partners and two-percent shareholders in an S-corporation are not eligible.

At your option, employer money may be used to fund all or part of the account. However, the combined contributions from both the employer and employee may not exceed the monthly maximum.

New IRS guidelines for 2010 also restrict the use of debit cards to point-of-sale terminals that only dispense fare media.

Parking

How much can be put in each month?

Maximum monthly contribution in 2010 is \$230.

What's covered?

Parking at or near an employee's work place. Parking at or near a location from which an employee commutes to work by mass transportation, carpooling, etc. (A parking lot at a commuter train station, for example.)

What's not covered?

- Non-work related parking
- Parking at or near an employee's residence

Mass Transit and Van Pooling

How much can be put in each month?

Maximum monthly contribution after March 31, 2010 is \$230.

What's covered?

Mass transportation fares, which include any pass, token, fare card, ticket, etc. for public transportation to and from work.

Commuter highway vehicle transportation, better known as van pooling. The vehicle may be owned or leased by the employer or a service provided by a vendor, but must meet certain conditions:

- It must seat six or more adults (not counting driver)
- The vehicle must be used 80% or more of the time for transporting employees to and from work
- The number of employees transported for commuting purposes must average at least half of the adult seating capacity of the vehicle.

What's not covered?

- Cost of fuel
- Taxi or limousine fares
- Tolls paid for roads, bridges or tunnels
- Transportation costs not related to work
- Unreimbursed business travel expenses