



## Tax-free Transportation Benefit Section 132 with AxisPlus Benefits

### **Your Employer is Offering You a Benefit That Will Allow You To Pay For Qualified Transit Pass/Vanpooling, Bicycling and Parking Expenses with Tax-Free Dollars!**

You can now save money on your payroll taxes by paying for your Eligible Transportation Expenses with pretax dollars through your company's Section 132 Tax-Free Transportation Plan!

How does this Plan benefit me?

First you save on taxes!

You do not have to pay Federal withholding or FICA taxes on the money you have set aside for Eligible Transportation Expenses. For example, if you had \$180 a month deducted before taxes, you would save payroll taxes on \$2,160 each year. At 25% Federal and 5.65% FICA, you would increase your take home pay by \$662.04 a year or \$55.17 a month.

What Transportation and Parking Expenses are eligible under the Plan?

#### Qualified Parking Expense

Expenses for parking at or near the business premises of the Employer for parking expenses where the Employer:

- Reimburses the employee for the expense,
- Pays the expense directly, or
- Provides on premises that the Employer owns or leases.

Expenses incurred by the Employee to park on or near a location from which the Employee commutes to work by the following:

- Mass transit facilities
- Commuter Highway Vehicle or,
- Carpool

#### Transit Pass Expense

"Transit Pass Expense" means any pass, token, fare card, or claim that entitles the employee to transportation, if that transportation is:

- On mass transit facilities or
- Provided by an entity in the business of transporting persons if such transportation is provided in a vehicle with a seating capacity of at least six adults.

#### Vanpooling Expense

Vanpooling as transportation between work and an employee's residence in a Commuter Highway Vehicle.

- Same requirements as Transit Expense but at least 80% of the mileage use can reasonably be expected to be for purpose of transportation between work and residence, and on trips during which the number of employees carried is at least one-half of the adult seating capacity of such vehicle (not including the driver).

#### Bicycle Commuting Expense

Qualified bicycle commuting reimbursement is any employer reimbursement that is:

- For reasonable expenses
- Incurred for the purchase, improvement, repair or storage of a bicycle
- That is regularly used for travel between the employee's residence and place of employment;
- If the reimbursement is paid during the calendar year in which the expenses are incurred or during the first three months after that calendar year.

What are the Monthly Limits for Contributions and Expense?

Parking Expenses	\$255.00 a month
Transit Passes and Vanpooling	\$255.00 a month
Bicycle Expenses	\$240.00 per year maximum (Limit equals # of qualified bicycle commuting months during the calendar year times \$20.)

Enroll Today and Take Advantage of the Benefits!