





Commuter Choice Services

The 1997 Taxpayer Relief Act and the 1998 Transportation Equity Act have provided employers with facilities in downtown urban locations the chance to provide a valuable employee benefit at little or no cost to the company. Section 132(f) of the Internal Revenue Code now allows employers to offer employees the choice to direct a portion of their salary into reimbursement accounts to pay for certain work-related parking or mass transit expenses on a pre-tax, salary reduction basis.

How does the plan work?

Before the start of the plan year, employees evaluate their needs and make an election to set aside a certain amount of their salary pre-tax to go into a parking and/or mass transit expense reimbursement account. Under current Federal law, the following amounts may be contributed to the accounts to reimburse employees for qualified transportation expenses. Funds cannot be commingled or transferred between accounts.

 2012 Parking Expense Account	\$240.00 / Month
 2012 Mass Transit Expense Account	\$125.00 / Month

Transit enrollees must pay for their eligible services by using their *FlexExpress*® card at the point of service. Parking enrollees may use the *FlexExpress*® card or receive reimbursement by submitting a claim request form to Benefit Strategies, LLC. Monthly expenses cannot exceed the monthly limits. At the end of the plan year, the accounts are closed and any unclaimed funds remaining are rolled over into a new account(s) and applied toward expenses incurred in the next Plan Year.

Election changes

Elections under the Commuter Choice Plan are irrevocable for the duration of a one-month Period of Coverage. If changes need to be made the participant must submit a new enrollment form, or for Transit Passes, a “Mass Transit Pass Change Form” to Benefit Strategies, LLC before the 10th day of the month prior to the beginning of the Period of Coverage you wish the change to be effective. The new election will be effective on the first day of the Period of Coverage after your employer processes the change and your election will automatically renew for subsequent Periods of Coverage.

Commuter Expenses

Parking expenses include:



Parking a vehicle in a facility that is near the employees’ workplace.



Parking at a location from where the employee commutes to work. (The cost of parking in a lot at the train station so the employee can commute in on the train.)

Mass Transit expenses include:

The cost of any pass, token, fare card, voucher, or other item that entitles the employee to use mass transit for the purpose or traveling to or from his/her place of work. Purchases must be made using the enrollees *FlexExpress*® card, no manual claims may be submitted.

Transit may be via:



A mass transportation system.



A private mass transit enterprise conducted by a company or individual that is in the business of transporting people in a “commuter highway vehicle.” Such a vehicle must have a seating capacity for six or more adults and at least 80 percent of the vehicles mileage must be from transporting employees to and from their place of work.