

Commuter Choice

Tax Savings For Commuters





Commuter Choice

The Commuter Choice Plan is a tax savings employee benefit plan sponsored by your Employer to help you pay for certain types of parking and transportation services you require in order to work.

When you participate in Commuter Choice, your contributions are deducted from the top of your paychecks during the year. You send in claims for your eligible expenses and you are reimbursed tax-free.

The Commuter Choice can save you 20% to 40% on the cost of your eligible transportation and parking expenses.

Commuter Choice: Mass-Transit and Vanpools

The eligible Mass-Transit expenses are:

- Transportation by train, lightrail or by a public or subscription bus, or;
- Transportation by eligible vanpool.

An eligible vanpool is defined as a vehicle transporting 7 or more adults, including the driver, for the majority of the commute trip.

When you make your elections, keep in mind that mass-transit expenses are not eligible during your vacations or holidays and expenses incurred (paid) before or after your participation are not eligible. Also, only your personal mass-transit expenses are eligible. You cannot use this program to pay for the expenses of your spouse and dependents.

Please note that other types of “commuting” costs, such as toll-fees and gas, are not eligible commuter choice expenses, except as part of the cost of an eligible vanpool.



Eligible Mass-Transit Expenses

You can contribute up to \$2,760 a year (\$230/month) to pay for your mass transit and eligible vanpool commuting expenses.

Tax Savings Illustration

If you contributed the maximum per year:	\$5,520
Federal Income Tax Savings	\$828
Social Security/Medicare Savings	\$422
State/Local Income Tax Savings	\$331
Your Tax Savings	\$1,581

Tax Savings estimated at the 15% Tax Bracket, 7.65% Social Security and State/Local taxes at 6%. Actual Savings will vary by individual and location.



Eligible Parking Expenses

You can contribute up to \$2,760 a year (\$230/month) for your parking expenses.

Commuter Choice: Qualified Parking

Eligible parking expenses are:

- Parking at or near your primary, long-term business location, or;
- Parking at or near a “park and ride” or similar location if you use mass-transit.

When you make your elections, keep in mind that expenses are not eligible during your vacations or holidays. However, parking expenses may be eligible if paid to “hold your parking spot” during a vacation or holiday. Also, only your personal parking expenses are eligible. You cannot use this program to pay for the expenses of your spouse and dependents.

Only the expenses listed above are eligible. Any other parking costs you may have are not eligible. Expenses incurred (paid) before or after your participation are not eligible.

Submitting Claims

To be reimbursed from your Commuter Choice accounts, your expenses must be incurred during the Plan Year, after you became an active participant. For the Commuter Choice benefit, an expense is “incurred” when you pay for the service.

To be reimbursed from your account(s), you will need to create your claim, sign and date the claim form, attach your documentation and fax the claim and documentation as indicated. Documentation includes copies of transit passes, cancelled checks, credit card statements, and vanpool expense verification. If you cannot provide receipts for your parking expenses because the parking lot or parking meter does not provide receipts, you must make a statement to that effect on the claim form.

You can only be reimbursed for expenses actually incurred (paid) and the expenses that can be considered for any month are limited to \$230 for mass-transit or \$230 for parking. If your expenses exceed those amounts for any month, the excess amounts cannot be processed and cannot be reimbursed in future months. For example, if you pay \$250 for your mass-transit pass for the month of October, you can only be reimbursed for \$230 for that expense. The “extra” \$20 will be ignored and cannot be reimbursed in future months. You can only be reimbursed up to the limit of the funds available in your account(s).





Submitting Claims

The IRS requires that claims be submitted within 6 months of the expense.

Your expenses must be submitted for reimbursement within 180 days of the date of the expense. For the Commuter Choice benefit, an expense is “incurred” when you pay for the service.

Your Year-end Balances

Commuter Choice allows you to carry over any contribution balances remaining in your account from one Plan Year to the next as long as you actively participate in your Commuter Choice benefits. You are considered an active participant in your Commuter Choice benefits for any month in which:

- You are an eligible, active employee of the employer, and;
- You contribute a minimum of \$1 from your pay to that benefit during that month.

However, it is important that you carefully estimate your expenses each year. If you stop being an active employee or an active participant in the Commuter Choice benefits for any reason, you have a limited amount of time after the date you stop participating (usually 60 to 90 days) to submit your claim for eligible expenses that were incurred while you were an active participant. Any funds left in your account(s) after the claims filing deadline will be forfeited.

Please ask your employer for the “Commuter Choice Benefits Summary” for the specific eligibility requirements, benefit limitations and claims filing deadline for your employer’s plan.

Note: By Federal Law, the Mass-Transit expense reimbursement benefit is not available in all locations. Your employer will let you know if you live and work in an eligible location for the Mass-Transit reimbursement program.



Presented by the Contract Administrator of your Benefit Plan:



FlexToday, Inc.
191 W Shaw Ave Ste 101
Fresno CA 93704
Phone: 800-995-5373
Email: Flex@FlexToday.com

FlexToday Claims
PO Box 16099
Fresno, CA 93755