

Start Your Own Tax

Commuter Tax Benefits 2018

Commuter tax benefits are an easy way for employers and employees to save money! The IRS allows employers to withhold a set amount of an employee's pre-tax income for vanpool or bus commuting costs. This benefit lowers an employee's taxable income, putting more money in their pocket. It's a win-win-win solution.



Here's how it works for the Employee:

- * The employer takes the cost of vanpooling or a bus pass (**up to \$260 per month**) out of the employee's paycheck before figuring taxes. This lowers the employees' taxable income, which puts more money back into their paycheck.

- * The employee then pays their vanpool or bus pass expenses and submits a receipt to their employer for a tax-free reimbursement. It's that simple!

Unlike a typical pre-tax "FLEX PLAN", a qualified transportation benefit program is not a use it or lose it program. Monies that go unused in an employee's account are automatically rolled over for future use.

The employer has to be the one to establish and administer the program. It's a great way for everyone to save money.

Working Together!

