

If you have work-related parking or transit expenses, you may want to consider enrolling in a pre-tax Parking or Transit reimbursement account. Below are commonly asked questions regarding these types of reimbursement accounts. As always, if you have any questions regarding the Transit and Parking accounts, please call benefitexpress at 877-837-5017.

Q: What are pre-tax Parking and Transit reimbursement accounts?

A: Transit and Parking pre-tax reimbursement accounts allow you to pay for eligible work-related parking and transit commuter expenses through pre-tax payroll deductions from your paycheck.

Q: How do parking and transit reimbursement accounts work?

A: Determine what your transit and parking expenses are for a typical month. Based on this you can make a monthly pre-tax election up to \$270 for transit and/or up to \$270 for parking. Once you make your election you will receive a MasterCard debit card that can be used to pay for work related transit and parking expenses. Your debit card is loaded with your pre-tax deductions each time a deduction is taken from your paycheck. When you use your debit card to pay for transit and parking purchases, the funds are automatically debited from your transit or parking account.

Q: Can funds be moved between Parking and Transit Accounts?

A: No. The IRS has stated that funds cannot be moved between accounts. Once funds are contributed, they must remain in the account contributed to and only be reimbursed when an eligible expense is incurred and subsequently claimed.

Q: What are some examples of eligible transit and parking Expenses?

A: Eligible transit expenses include vouchers, passes, and tokens for buses, trains, rail, subway, ferries, and vanpooling costs.

Eligible parking expenses include parking at or near work in a parking garage, lot, or at a meter. It also includes parking at a place where a vehicle is parked in order to take mass transit to work. For example, parking at a commuter train station because you take the train to work (often called "Park and Ride" Lots).

Q: When does the Transit benefit become effective?

A: You may begin using your new debit card for transit and parking once you receive it. Please remember that the actual payroll deductions must have occurred and credited to your debit card before you can begin using it.

Q: What are non-qualified Transit and Parking expenses?

A: Typical examples of ineligible Transit and Parking expenses include transit and parking costs not associated with a commute to work. For example, the costs associated with parking at a concert or sporting event are not eligible for reimbursement through a pre-tax parking or transit account. Transportation expenses in which you are reimbursed by the company are not eligible. Taxi cab fares are also not an eligible expense for the transit plan.

Q: What is the maximum amount I can contribute to my pre-tax Parking and Transit accounts?

A: The IRS pre-tax contribution limits for 2020 are:

- \$270 a month for Transit expenses
- \$270 a month for Parking expenses

These are the maximum pre-tax amounts you may contribute per month. You may contribute post-tax deductions in excess of these limits. See your employer form more details regarding a post-tax contribution.

Q: What happens if I do not use all of the money I set aside by the end of the year?

A: Unused amounts may be carried over to subsequent periods. There is no annual “use it or lose it” rule. While unused amounts cannot be cashed out, they do not need to be forfeited, and instead can be carried over to provide parking or transit benefits to the employee in subsequent years. Your plans run out rule determines the date limitation on claims submittal for previous plan years. For example, if you are granted a claim run out period until 3/31 to submit claims from the previous year, you must submit your claims incurred in the previous year by this date. Also, because the salary reduction amounts are not refundable, forfeitures are possible upon termination of employment if you have a remaining balance.

Q: Do I have a run out period in which to submit my claims that were incurred during the previous plan year?

A: The run-out period for the Transit and Parking accounts matches the run out period for your FSA Health and Dependent Care accounts. For example, a typical run out period gives you 90 days from plan year end to submit any remaining claims that were incurred during the previous plan year. Any claims submitted after this run out date will be denied. Please see your employer’s plan document or highlights for your specific run out period date.

Q: Is Uber Pool, Lyft Line or Via eligible for the Transit Plan?

A: Yes, you may insert your benefitexpress debit card number into your Uber or Lyft app and utilize it to pay for UberPOOL, Lyft Line and Via rideshares. Standard Uber and Lyft expenses are not eligible for reimbursement.

Q: Will I receive a MasterCard to utilize to pay for my Transit or Parking expenses?

A: Yes. If you enroll in either plan, you may expect a MasterCard to utilize to pay for your Transit or Parking expenses. You will only be able to use up to your accrued balance in the plan at any given time. If you are already enrolled in Health or Dependent Care FSA, you will use the card already issued on your account. Our cards are considered “stacked” and can be utilized for multiple benefits. Our card is programmed to differentiate between Transit, Parking or Health and Dependent Care expenses at the point of service.