



Top reasons to offer the Pre-Tax Transit Benefit Program as Long Island plans its recovery:

- ▶ **Help your employees save money!** The IRS allows employees to exclude up to \$270 per month (2020 exclusion limit) from taxable income for transit expenses. Your employees can save up to 40% of their commuting costs- over \$1,200 per year!
- ▶ **Employers don't pay payroll taxes** on the amount employees deduct for transit or vanpooling.
- ▶ **It's a great sustainability initiative.** It helps to improve our air quality and reduce greenhouse gases by encouraging employees to use transit or vanpool.
- ▶ **It's a wellness initiative, too.** Improved air quality and more active forms of transportation improve our overall health.
- ▶ **It's easy to administer** – there are many time saving options such as online enrollment, pre-paid debit cards – even mailing of transit passes to an employee's home.
- ▶ **It helps cut down on parking issues** by decreasing the number of cars in your parking lot.
- ▶ **It's a great recruiting and retention tool** to help recruit a talented pool of applicants from the entire tri-state area. It shows employees you care about them, the environment and the cost of their commute.
- ▶ **It's a win/win/win** for the company, the employee and the environment.
- ▶ **And for NYC employers, effective January 2016, it is mandated.** Under the new NYC Commuter Benefits Law, all private employers with 20 or more full-time employees in NYC are required to offer pre-tax transit benefits to their employees.

*2019 IRS exclusion limit



As the economy comes back, being ready with the Pre-Tax Transit Benefit Program will help deliver financial savings.

How Pre-Tax Transit Benefits Work

Employee Savings

Employees who set aside income on a pre-tax basis for qualified transportation do not pay federal, NYS or NYC income or FICA payroll taxes on the income set aside – thereby lowering their taxable income and saving up to 40% on their commuting costs.

Employer Savings

Employers save in payroll taxes on the amount employees set aside, meaning that most, if not all, of the minimal costs to administer the program are covered by the savings!



Make the easy, smart choice.
Go to www.transitsolutions.org
for more information or call
516.242.8121 to speak with our
Program Manager.

