



TMA

(Mass Transit/Parking)

DID YOU KNOW...

Public transportation, parking expenses, and even bicycle commuting for work can be paid pre-tax!!!

Let BeneFLEX show you how to implement a Transportation Management Account to help your employees save tax dollars as well as time and energy...

PLUS

Employers save tax dollars too!

BeneFLEX
HR RESOURCES INC.

"We make benefits work for you."

Give Your Employees a Pay Raise!

What is a Transportation/Parking Management Account?

A Qualified Transportation/Parking Reimbursement Account allows employees to set aside a certain amount of money out of each paycheck into an account – before paying income taxes. During the year, employees are reimbursed from this account for qualified expenses such as parking, vanpooling, and transit passes. This account is very similar to a Flexible Spending Account, however, it does not include a “use it or lose it provision”—the funds roll over from one month to the next.

Reimbursements are tax-free.

When employees use tax-free dollars to pay for these expenses, they realize an increase in spending power and substantial tax savings.

The company saves too – 7.65% (FICA match) on every dollar employees contribute to the plan.

How Does the Account Work?

The employee decides if they want to participate in a transportation or parking reimbursement account. Once they decide, they estimate their monthly transportation and/or parking expenses. The monthly amount is divided evenly over the number of pay periods throughout the month. You may allow employees to make changes to their election at any time throughout the year and any unused funds may be rolled over.

Once the participant has paid for their transportation or parking expenses, they may submit a claim for reimbursement. Reimbursements from the parking or transportation account are made as funds are contributed to the account.

What kind of Reimbursement can be made under the Transportation/ Parking Management Account?

- 1.** Parking – Qualified parking is parking you provide your employees on or near your business premises. It includes parking on or near the location from which your employees commute to work using mass transit, commuter highway vehicles, or carpools. It does not include parking near your employees’ homes.
- 2.** Commuter Highway Vehicle- A commuter highway vehicle is any highway vehicle that seats at least 6 adults (not including the driver). At least 80% of the vehicle’s mileage must be for transporting employees between their homes and work place with employees occupying at least one-half of the vehicle’s seats (not including the driver’s).
- 3.** Transit Passes – A transit pass is any pass, token, fare card, voucher, or similar item entitling a person to ride, free of charge or at a reduced rate, for one of the following.
 - Mass Transit – (publicly or privately operated and includes bus, rail, or ferry)
 - Commuter Highway Vehicle – (seats at least 6 adults, not including the driver)

What is the Bicycle Commuter Tax Provision?

In January 2009, qualified bicycle commuting reimbursement was added to the list of qualified transportation fringe benefits under Section 132 of

the Internal Revenue Code. It allows employers to provide a tax free reimbursement of up to \$20 per month or \$240 per year for reasonable expenses incurred by the employee in conjunction with their commute to work by bike. A qualified bicycle commuting reimbursement benefit cannot be funded through employee pre-tax income, nor can an employee receive both the bicycle and transit reimbursement in the same month.



How to get started?

You can start a TMA at any time. The first year can be a short plan year so future plan years can coincide with your fiscal year or calendar year. Complete the Intent to Enroll form and fax or mail to BeneFLEX. Upon receiving your Intent to Enroll form, BeneFLEX will send you an electronic launch kit and will be available to create your TMA plan document and set up administrative procedures.

Since employee participation is vital to the success of this plan, we recommend your plan be implemented no sooner than one month after the TMA application is submitted. We are available to help educate your employees while you simply watch the savings multiply for you and your employees.

Plan Set Up and Administration is easy with BeneFLEX

- 1. Plan Consulting.** Upon receiving your Intent to Enroll form, BeneFLEX will send you an electronic launch kit.
- 2. Easy Plan Set Up.** The launch kit includes the TMA Plan Checklist, Contact Listing, Banking Information, and Sample Reports.
- 3. Employee Enrollment Assistance.** Includes educational materials such as enrollment forms and claim forms.
- 4. Employee Account Management.** Employee contributions are posted to their account each pay period. Other services include account balance tracking, daily claims adjudication, and claims payment by check or direct deposit.
- 5. Participant Assistance.** Employees have 24-hour access to their account online at www.beneflexhr.com or via the BeneFlexHR Mobile app.

6 Ways Your Company Benefits by Offering a TMA Reimbursement Plan

- 1.** You will save 7.65% on every dollar your employees contribute to the plan. FICA is not paid on payroll amounts contributed to the public transportation or parking expense accounts.
- 2.** With the rising cost of gas and automobile expenses, help employees save money by allowing them to use mass transit and pay with pre-tax dollars.
- 3.** If your employees are required to pay for parking at your place of business, you may allow them to use the TMA Plan to use pre-tax dollars to pay for this expense.
- 4.** Create an incentive for your employees to start bicycling to work, by offering them a bicycle commuting reimbursement. This may decrease insurance premiums by promoting a healthier lifestyle for your employees.
- 5.** Employees are not afraid to participate because the TMA Plan allows participants to roll funds over. The plan does not have a "use it or lose it" provision.
- 6.** Attracting and retaining employees is easier with a TMA benefit plan.

Does your TPA pass the TMA Quiz?

Do you have a (current) written plan document on file?

Have you received your SPD to provide to your employees?

Has your TPA educated you on the full benefits available through a TMA? Mass transit, parking and bicycle?

Does your city require a commuter benefit such as the one mandated by Bay Area Air Quality Management District?

If you answered no to any of these questions, you might have a TMA flat tire. You might need someone else to put air in your tire.



Who is BeneFLEX HR RESOURCES?

A focused Third Party Administrator specializing in providing seamless employee benefits. BeneFLEX takes the burden of benefit regulations and compliance away from the employer AND ensures employees receive the full benefit of their FSA, POP, HCSO HRA, TMA, HRA, HSA, and COBRA.

**You and your employees can be green
and save money with the TMA.**

**Contact BeneFLEX at 800-631-FLEX to implement
your TMA Plan and start saving time, energy, and taxes.**

**Complete your Intent to Enroll form, receive your electronic launch kit,
and start to benefit from BeneFLEX's TMA administration services.**

BeneFLEX
HR RESOURCES INC.

"We make benefits work for you."

10805 Sunset Office Drive, Suite 401 ~ St. Louis MO 63127
800.631.FLEX (3539) ~ 314.909.6979 ~ Fax 314.909.6983
www.beneflexhr.com – info@beneflexhr.com

Rev. 053014

