

TRANSIT & PARKING PLANS



DISTRICT OF COLUMBIA

Is getting to work an everyday headache? Is it a struggle to pay for the perfect place to park, pay for public transportation or vanpool to work? If paying for these expenses is getting out of hand, you may want to consider a Transportation Plan. Transit and parking plans allow you to set aside your hard-earned dollars on a pre-tax basis to pay for the expense of getting to and from work.

In Washington, D.C., organizations with 20 or more employees working in the District of Columbia have laws in place that require the offering of one (or more) of the following commuter benefit options to employees:

1. Employee-paid pre-tax contribution
2. Employer-paid direct benefit
3. Employer-provided shuttle or vanpool

Transportation Plans Cover:



Qualified parking - parking utilized near your place of employment or allowing you to commute to work.



Transit pass - pass, token, fare card or voucher purchased to get you to and from work.



Vanpooling - transportation provided between your home and work in a commuter highway vehicle. The vehicle must hold more than six adult passengers and 80% of the vehicle mileage must be used to get people to and from work.



Qualified bicycle commuting - employer paid reimbursement of up to \$20 per month for reasonable expenses incurred for the purchase of a bicycle and bicycle improvements, repair and storage if you regularly use a bicycle for a substantial portion of the travel between your home and work.

Key Features for Transit Plans in 2020

- Debit cards may only be used at merchant terminals at point of sale at which only fare media for local transit systems can be purchased.
- Debit card transactions, since they are terminal restricted, will approve at 100%.
- Employers are no longer permitted to provide qualified transportation fringe benefit in the form of cash reimbursement where vouchers or smart cards are readily available.

Is there a maximum amount I can elect to set aside?

Yes. The 2020 IRS imposed maximum monthly reimbursement amount for parking is \$270 and transit pass/vanpooling is also \$270.