



## What is a Parking and Transit Plan?

The Parking and Transit Plan is a voluntary employee benefit program that allows eligible employees to use “pre-tax” dollars towards parking and mass transit expenses.

*As of 1/1/2016 transit fare can only be paid using the BASIC Benefits Card (manual reimbursement via check or direct deposit is no longer allowed) and the debit card is restricted to only work for certain transit authorities at locations where only transit fare is sold.*

## Benefits for Employers to offer a Parking and Transit Plan:

- Employers may contribute up to the monthly legislative maximum for parking fees and transit passes or vanpooling
- Contributions are tax deductible for employers
- Attractive benefit for recruiting employees

## Benefits for Employees to participate in a Parking and Transit Plan:

- Contributions are non-taxable
- Use to pay for mass transit passes, vanpooling or parking expenses for work
- Debit card option for easy access to the benefit

## Eligible Parking Expenses:

- Parking at or near employee’s place of work
- Parking at or near a location from which an employee commutes to work by mass transportation, carpooling, etc. (a parking lot at a commuter train station, for example)

## Eligible Transit Expenses:

- Mass transportation fares, which include any pass, token, fare card, etc. for public transportation to and from work
- Commuter highway vehicle transportation, (van pooling). The vehicle may be owned or leased by the employer or a service provided by a vendor, but must meet certain conditions:
  - It must seat six or more adults (not counting the driver)
  - The vehicle must be used 80% or more of the time for transporting employees to and from work
  - It must transport three or more commuters on each trip (not counting the driver)

## What are the Employer Responsibilities?

- Allow employees to enroll annually (employees may change their elections monthly based on need)
- Notify BASIC of any employee changes, adds and terminations during the plan year
- Notify BASIC of any changes in employee contributions

**BASIC**  
9246 Portage Industrial Drive  
Portage, MI 49024  
800-444-1922

