

PARKING & TRANSIT GUIDE

by BASIC



Section 132 Plans

Your employer is pleased to sponsor your Section 132 qualified transportation reimbursement plan. This benefit plan allows you to use pretax dollars to pay for qualified parking and commuter expenses at no cost to you.

What are qualified expenses?

Separate monthly maximum dollar limits apply to Parking and Transit/Vanpooling benefits.

Parking: Parking provided on or near the employer's business premises or at a location from which the employee commutes by carpool, commuter highway vehicle, etc.

Transit: A pass, token, fare card, or similar item entitling a person to transportation on mass transit facilities or provided by a person who transports people for compensation or hire, in a vehicle which seats at least six adults, excluding the driver.

Vanpooling: Transportation provided by an employer to an employee, in a vehicle which seats at least six adults (excluding the driver), in connection with travel between the employee's home and work, provided that 80% of the vehicle's mileage is reasonably expected to be for transporting employee from home to work or on trips where at least half of the adult seating capacity is filled by employees.

2024 IRS Pretax Caps*

The maximum benefit is indexed annually to keep pace with inflation.

Parking:

\$315 per month for qualified parking

Transit:

\$315 per month for transit passes

**Increased from \$300 in 2023*

Current IRS cap can found at our website:
<https://www.basiconline.com/regulations-resources/>



FAQ

What is the purpose for this plan?

This plan allows eligible employees to select tax-free parking and mass transit benefits.

How does this plan benefit me?

You can elect to have a portion of your paycheck pre-taxed and set aside for parking and/or mass transit expenses. You will NOT pay the Federal, State, and FICA taxes on the salary deductions you elect.

	Annual Election	Annual Savings
Assuming 15% Federal tax	\$3360	\$504
Assuming 25% Federal tax	\$3360	\$840
Assuming 40% Federal tax	\$3360	\$1344

How do I sign up for the Section 132 reimbursement plan?

Submit an election form stating how much you want deducted each month. The election form must be submitted before the beginning of the month when the election takes effect, or by the cut-off date set by your human resource department.

If you miss the cut-off, the change will take effect the first pay of the following month.

Can I stop or change my deductions?

Yes. Submit an election form stating that you want the deductions to stop or change. The election form must be submitted to your human resource department. Deductions will end the first pay of the following month.

Please Note: Bicycle reimbursement is not included in this service

How do I use my Commuter Plan?

For transit expenses:

- Use your BASIC Card to purchase transit fare at approved payment terminals (the overwhelming majority of dedicated transit payment terminals are approved for use);
- Use your BASIC Card to add funds to an electronic (smart) transit card, such as the Clipper Card in the California Bay Area.

For parking expenses:

- Use your BASIC Card to pay for parking at most parking facilities.
- Pay for parking personally and then submit a claim to BASIC for reimbursement.

How do I get reimbursed for parking expenses?

- Submit a reimbursement request through the BASIC Benefits mobile app or online CDA System.
- If your claim exceeds the balance in your account, you will receive a reimbursement only for the balance in your account up to and not to exceed the indexed monthly limit.

What happens with termination of employment?

At the end of your employment, your participation in the plan will terminate.

Transit: Any remaining balance in the account will be forfeited.

Parking: You will have a designated Run Out period in which to turn in claims, for dates of service as of your term date and up to 6 months prior. Any remaining balance in the account after the end of the Run Out period will be forfeited.



If you have questions at any time, call your BASIC Account Manager.

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