



Section 132 Plans

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

2026 IRS Pretax Caps

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

Parking: \$340 per month

Transit: \$340 per month

Increased from \$325 in 2025

Current caps can found on our website:
www.basiconline.com/regulations-resources

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.

COMMUTERFAQ

What is the purpose of 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 deducted pre-tax and set aside for qualified commuter expenses. You will NOT pay the Federal, State or FICA taxes on the salary deductions you elect.

	Annual Election	Annual Savings
Assuming 15% Federal tax	\$3,360	\$504
Assuming 25% Federal tax	\$3,360	\$840
Assuming 40% Federal tax	\$3,360	\$1,344

How do I sign up for the benefit plan?

Submit an election form (*contact your employer to obtain*) 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 employer.

If you miss the cut-off, the change will take effect with the first pay period 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 employer. Deductions will end the first pay period of the following month.



How do I use my benefits?

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.

For parking expenses:

- Use your BASIC Card to pay for parking at most parking facilities.
- Pay for parking personally and then submit a reimbursement request through the BASIC benefits app or online.

How do I get reimbursed for parking expenses? *(Transit does not allow reimbursements)*

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

TIPS



Use your BASIC Card® to purchase transit fare or pay for parking!

What happens with termination of employment?

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

Parking: You will have a designated runout period in which to request reimbursement for dates of service as of your termination date and up to six months prior. Any remaining balance in the account after the end of the runout period will be forfeited.

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



NOTE: Bicycle reimbursement is not included in this benefit.

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