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Make the Right Choice

Earn a tax break by vanpooling, bicycling or taking transit

We could all use a break. By clean commuting, not only do you save money, reduce stress and avoid the daily gridlock, you may be eligible to take advantage of federal tax benefits through the Commuter Choice program. This program allows for even greater savings when you choose transit, vanpooling or bicycling as a commute alternative. And unlike traditional benefits such as health care or vacation days, you can use this benefit *every day!*

How It Works

Your Employer Pays

Your employer chooses to cover the full cost of the tax-free benefit – up to \$230 per month for transit and vanpool expenses or \$20 for cycling. The benefit is offered tax-free to you and lowers payroll taxes for you and your employer.

You Pay With Pre-Tax Dollars

Similar to health savings plans or eligible childcare expenses, you can set aside up to \$230 per month out of your current pay, then use those pre-tax dollars to pay the cost of qualified commuting. You'll save federal income taxes and payroll taxes.

You and Your Employer Split the Bill

You and your employer each pay a share. For example, your employer might offer \$100 per month in transit/vanpool benefits and allow you to reserve up to \$130 per month as a pre-tax benefit. The total tax-free benefit remains \$230 per month. The same rules apply for the \$20 per month bicycling benefit.

Getting Started

If your employer doesn't already offer Commuter Choice, it may be up to you to make the case. Luckily, it's an easy sell with significant employer benefits:

- Commuter Choice can save your employer money! Georgia employers that are already using it have saved millions in payroll tax dollars.
- Commuter Choice programs can be set up at any time during the year.
- By encouraging commute alternatives, your employer is setting a positive example in the business community, and providing a low or no-cost benefit.
- Less cars means a reduced demand for employee parking (and its associated costs).

Still Have Questions?

Let **CobbRides** help. Contact Alison@CobbRides.com today.