



## **FREQUENTLY ASKED QUESTIONS ABOUT TRANSPORTATION FRINGE BENEFIT PLAN**

### **What is the Transportation Fringe Benefit Plan?**

Under Section 132 of the Internal Revenue Code, the Transportation Fringe Benefit plan allows you to pay for certain commuting expenses with pre-tax dollars. Paying for these expenses with pre-tax dollars saves you money by lowering your taxable income.

### **What types of transportation costs can the Transportation Fringe Benefit Plan be used for?**

Qualified Parking: Parking fees paid for business purposes on or near the business premises of your employer. It can also mean parking provided on or near a location from which you commute to work by vanpooling, in a commuter highway vehicle or by carpool. It does not include parking on or near an employee's residence.

Transit Passes: Any pass, token, fare card, voucher or similar item that entitles you to transportation (or transportation at a reduced price), provided that such transportation is on mass transit facilities, or provided by the type of highway vehicle eligible for use in vanpooling.

Vanpooling: Transportation to and from work and your residence, but only if in a "commuter highway vehicle limited to a vehicle with a seating capacity of six or more adults (not including the driver) and at least 80 percent of the mileage use of which can reasonably be expected to be for purposes of transportation of employees between work and residences, and on trips during which the number of employees carried is at least one-half of the adult seating capacity of such vehicle (not including the driver)". This can include transportation provided by the employer.

### **How much money can be used with the Transportation Fringe Benefit Plan?**

You can set aside a monthly amount for Parking expenses and/or Transit expenses for transit passes and commuter highway vehicles (vanpools). However, you cannot be reimbursed for any amount that exceeds your contributions or the maximum allowed by the plan. Each Employer sets their own maximum and minimum allowable election amounts for their Plan, not to exceed the IRS allowed maximum. Please contact your HR. Dept. or OutsourceOne to verify.



### **How do I get reimbursed for my expenses?**

Once you have incurred an eligible expense, you may submit a claim for reimbursement and provide proper documentation indicating the date, cost, and type of services. You cannot be reimbursed for amounts exceeding what you have contributed to your account or the maximum allowed by the plan.

### **What is considered proper documentation?**

A copy of your monthly contract parking bill, bus, train, vanpool or other pass. For parking, individual receipts will also be accepted as long as they indicate the cost, date of service, and type of service.

### **Can daily bus tickets or bus transfers be used as valid forms of a receipt for the Mass Transit Reimbursement Account?**

No, because they do not show the cost, date, and type of service.

### **Can I use the Parking Reimbursement Account to pay for parking expenses resulting from travel to or from business meetings or to visit clients?**

No, parking expenses and mass transit costs must be for travel to and from home and work.

### **How often can I change my elections?**

Unlike Section 125 Flexible Spending Accounts, a qualifying event is not required to change your elections. Typically, elections may be changed on a monthly or quarterly basis, but this varies by employer. Please contact your HR dept. if you would like to change your election.

### **What happens to unused money left in my account at the end of the month or plan year?**

The money may be rolled into the next month or new plan year. In the event your employment is terminated, any remaining balance will be forfeited.



## Who can I contact with further questions?

OutsourceOne is the administrator of our plan. The Transportation Fringe Benefit Department can be reached at:

Customer Service:

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