

# Pre-Tax Commute Plan (Section 132)

Pay for your parking or mass transit with pre-tax dollars!



## Who is eligible?

Any actively working ALTRES employee who incurs parking and transit expenses going to and from work. No minimum hours are required, however, you must earn enough each month to cover the amount of your deduction.



## Mass Transit

If you use the bus to commute to and from work, you can enroll in the program to purchase a bus pass. Reimbursement is limited to the cost of one bus pass (not to exceed the limit set by the IRS).

If you pay for other qualified transit programs, such as Handi-Van, you may be eligible to enroll in this program. Monthly election can be no greater than the limit set by the IRS. Please contact us for additional information.



## Parking

If you pay for qualified parking at or near your workplace or at a facility from which you commute via transit, you may enroll in the program. Monthly election can be no greater than the limit set by the IRS.



## How to Sign Up

Complete an ALTRES Pre-Tax Commute Plan Salary Redirection Agreement, indicating the amount you'd like to contribute to each plan, and submit it to the ALTRES Benefit Services Team. This amount will be deducted from your first paycheck of each month, on a pre-tax basis, until you cancel plan participation. Enrollment is month-to-month. Re-enrollment occurs annually during our Tax Savings Program Open Enrollment. A salary redirection agreement (SRA) is required for changes made mid-month.

## How to Use Benefit

Pay for your commuting expenses up front. Submit your receipt(s) and a reimbursement form to our tax-savings plan administrator, PIOPAC. PIOPAC will process your claim and reimburse you directly. Reimbursements cannot exceed the amount of money you have already contributed to the plan.

**Note:** Participation in tax-savings plans, such as the Pre-Tax Commute Plan, may reduce your contribution to Social Security.

Savings Example Per \$2,500 in Salary			
Without Section 132		With Section 132	
\$2,500	Gross Income	\$2,500	Gross Income
-550	Taxes (22%)	-100	Parking Expense
1,950	Paycheck	-80	Transit Expenses
-100	Parking Expense	2,320	Adj. Gross Income
-80	Transit Passes	-510	Taxes (22%)
\$1,770	Net Spendable	\$1,810	Net Spendable

## A \$40 increase per month in your paycheck through these tax savings!

This example is for illustration purposes only and assumes a combined tax rate of 22 percent (FICA, federal, and state). Your own personal tax situation may differ. Actual allowable expense election maximums may vary according to IRS regulations. The expense amounts shown do not necessarily correlate with the current permitted maximums under federal law.

## Questions?

Contact the ALTRES Benefit Services Team  
**Tel:** (808) 591-4995  
**Email:** [benefits@altres.com](mailto:benefits@altres.com)