



1-866-579-RIDE, www.PaCommuterServices.org

FOR IMMEDIATE RELEASE

Contact: Brandy Heilman (717) 718-0015 Pat Wood (717) 236-3700

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\$230 federal commuter tax-free benefit, \$20 bicycle benefit

Continue for 2010 tax year

York, Pa. – Commuter Services of Pennsylvania today reminded employers and employees that \$230 per month is the limit that can be set aside for a worker’s qualified, tax-free transportation fringe benefit in 2010. Up to \$20 per month also is available for bicycle commuters.

Brandy Heilman, executive director for Commuter Services, notes “While the monthly benefit amounts have not increased since 2009, \$230 per month usually is more than adequate to cover monthly passes on the region’s transit services or the costs of the vanpool arrangements that qualify. But, an employer needs to have a pre-tax set aside program for commuters before anyone can benefit.”

The bicycle commuting benefit, which was added as a transportation fringe benefit in 2009, is \$20 multiplied by the number of qualified bicycle commuting months during 2010 for qualified bicycle commuting expenses incurred during the year. The IRS defines reasonable expenses as the purchase of a bicycle, improvement, repairs and storage.

Pre-tax set asides save payroll taxes for an employer and/or federal income taxes for an employee, depending on who pays for the benefit. Under federal law, employers can pay the full subsidy or deduct it from employees’ pay. Or, an employer can elect to subsidize part of the cost, so the employer and employee share benefit costs and the tax savings.

Commuter Services helps employers consider and set up these plans as part of its free services.

Employers can contact Commuter Services at 1-866-579-RIDE.

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About Commuter Services
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Funding is provided by the Federal Highway Administration through PennDOT and the region's metropolitan and rural planning organizations.

Commuter Services board includes transit agencies, planning organizations and chambers: Harrisburg Regional Chamber; the Gettysburg Adams, Lebanon Valley and York County Chambers of Commerce; Lancaster and Greater Reading Chambers of Commerce & Industry; Adams County Transit Authority (ACTA); Berks Area Regional Transportation Authority (BARTA), County of Lebanon Transit Authority (COLT); Red Rose Transit Authority (RRTA, Lancaster); York County Transportation Authority (rabbitransit); Capital Area Transit (CAT, Cumberland-Dauphin-Harrisburg); the Lancaster, Lebanon, Reading Area and York metropolitan planning organizations (MPOs); Harrisburg MPO (Cumberland, Dauphin and Perry counties) and Adams Rural Planning Organization (RPO).