



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

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**Stimulus bill hikes commuter tax-free benefit
Monthly set-aside limit nearly doubles to \$230**

York, Pa. – The recently enacted federal stimulus package (The American Recovery & Reinvestment Act of 2009) increased from \$120 per month to \$230 per month the amount that can be set aside for each worker’s qualified, tax-free transportation fringe benefit.

These funds are used for qualified commuter options, including transit, train and vanpooling. The pre-tax set aside saves payroll taxes for the employer and/or federal income taxes for the worker, depending on who pays for the benefit.

Under federal law, employers can pay the full subsidy for their worker’s transit pass or vanpool costs, or it can be deducted from an employee’s pay. If the employer elects to subsidize a portion of the costs, the employer and worker can share the benefit costs and tax savings.

“Vanpools and Amtrak commuters will be the primary beneficiaries of this limit increase in our region,” predicted Brandy Heilman, director of the regional Commuter Services program. “That is because monthly transit passes for our regional transit agencies are all less than the new \$230 limit.”

The new limit is effective for months beginning on or after February 17, when the stimulus bill was signed.

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 or visit the Web site, www.PaCommuterServices.org, to learn more.

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About Commuter Services of South Central Pennsylvania:

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Commuter Services is a program of the non-profit Susquehanna Regional Transportation Partnership, whose board includes the Harrisburg Regional Chamber; the Gettysburg Adams, Lebanon Valley and York County Chambers of Commerce; Lancaster Chamber of Commerce & Industry; Adams County Transit Authority (ACTA); 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 and York metropolitan planning organizations (MPOs); Harrisburg MPO (Cumberland, Dauphin and Perry counties) and Adams Rural Planning Organization (RPO). Funding is provided by the Federal Highway Administration and PennDOT.
