



## The Commuter Tax Benefit Another win-win solution

**What is the Commuter Tax Incentive?** Federal tax code allows up to \$230 a month (\$2760 a year) to be set aside tax free to pay for qualified commuter expenses. Employers can permit employees to set aside some of their gross income, cover qualified expenses as an employee benefit, or “share the fare” with employees, while both parties save on taxes.

**A cost-effective benefit:** This tax incentives allows businesses and workers keep more money in their pockets, while utilizing smart commuting options. As an employer, you can offer a valuable benefit to employees at a considerable savings over offering the equivalent cash value in the form of a salary increase.

**Easy and flexible:** The Commuter Tax Benefit can be set up to meet your business’ needs, with less paperwork and more flexibility than many tax-related benefits. You can offer the commuter tax benefits to all or just some of your employees, as an annual benefit, or as a reward, incentive or bonus.



### Look here for additional resources

**The Community Transportation Association of America** offers a Transportation Toolkit for the Business Community, which can be found under the Programs and Initiatives section of their website at [www.ctaa.org](http://www.ctaa.org).

**The TransitCenter’s website** has answers to common questions about implementing commuter tax benefits and can help you calculate your potential payroll savings. See the Employers section of the TransitCenter’s website at [www.transitcenter.com](http://www.transitcenter.com)

**Way2Go** can provide transportation information to your employees, and consult with you on other commuter support options. Contact us at 607-272-2272 or [takecharge@way2goinfo.org](mailto:takecharge@way2goinfo.org), or see our website at [www.way2goinfo.org](http://www.way2goinfo.org).



## Supporting Commuter Options is Good Business



[way2goinfo.org](http://way2goinfo.org)  
[takecharge@way2goinfo.org](mailto:takecharge@way2goinfo.org)  
607-272-2292

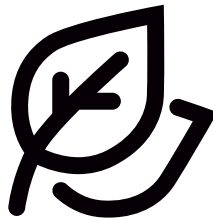
**Cooperative  
Extension**  
Tompkins County

615 Willow Avenue  
Ithaca, NY 14850

**Way2Go** is a county-wide educational resource that supports win-win commuting solutions for employers and employees. A program of Tompkins County Cooperative Extension, Way2Go promotes transportation choices that foster individual, community and environmental well-being.

**Way2GoInfo.org**  
**607-272-2292**

Go  
Green



Supporting greener commuter options is important for forward-thinking businesses. "Becoming environmentally conscious and using sustainable strategies make companies more successful," says Jim Hartzfield, Vice President for Sustainable Energy of Interface, Inc., Atlanta. "Sustainability is mainstream now."<sup>1</sup>

Save  
Green



A study published in *Optometric Management* calculated that replacing an employee costs about 25% of the position's annual salary and benefits<sup>2</sup>, while another organization estimated it at 150%!<sup>3</sup> Benefits are important to retention, and a recent article at *Employer Benefit News* reports that "commuter benefits remain on the benefits hot list," approaching equal importance with health, retirement and disability.<sup>4</sup>

## Commuting options that benefit both employees and businesses

**Walking and bicycling** provide health benefits that can minimize illness-related losses and improve response to stress in the workplace. They also combine well with **riding the bus**, a low-cost way to leave the driving to someone else.

**Ridesharing** such as **carpooling** and **vanpooling** saves money over driving alone, while reducing parking needs and transportation-related tardiness and absences. Employees can share knowledge, build camaraderie and make better use of their travel time while riding together.

**CityVan** is a new reserve-a-ride van service running between rural areas and downtown, while an organizational membership with **Ithaca Carshare** can provide your employees with access to its expanding fleet of vehicles.

**Teleworking** can eliminate unnecessary commutes and help employees successfully juggle responsibilities—while remaining easy to manage, productive, and more satisfied with their job.

1. As quoted on the Transportation Toolkit for the Business Community page of the Community Transportation Association's website at [www.ctaa.org](http://www.ctaa.org).  
2. Carol A. Schwartz and Nancy L. McCabe. "Stat turnover: What it Costs in Dollars and Cents" *Optometric Management*, May 2000.  
3. Arlington Transportation Partners. Retaining Skilled Employees. [www.commuterpage.com/atp/suc-retain.cfm](http://www.commuterpage.com/atp/suc-retain.cfm).  
4. See January 1, 2010 article by Mclean Robbins, *Commuter benefits remain on the benefits hot list*, at [www.ebn.benefitnews.com](http://www.ebn.benefitnews.com). See also the 2009 Commuter Impact Survey in the Transit Resources Section of [www.transitcenter.com](http://www.transitcenter.com).



“ Cornell University has been promoting alternative commuting strategies for its employees for nearly 20 years. These programs are an attractive benefit, reduce environmental impact, and allow the University to make better use of its resources. ”

David Lieb, TRANSPORTATION & MAIL SERVICE ADMINISTRATION

## A workforce of empowered commuters is good business

No-cost and low-cost support for commuting options can reduce business expenses, cut transportation-related losses, boost employee health and morale, and attract and retain desirable employees. It can even enhance your business' reputation as a leader of the clean, green economy.

**Way2Go** can help you:

- Provide employee education that introduces new transportation options and promotes win-win commuting solutions such as vanpooling, CityVan, Working Families Transportation Assistance, and more.
- Create a supportive workplace culture through executive leadership, commuter-friendly facilities, and employee incentives, contests or recognition programs.
- Facilitate ridesharing among employees through customized communication strategies and an upcoming, employer-friendly ride-matching website for Tompkins County.
- Consider commuter tax benefit options, which can increase your employees' take-home pay without increasing your payroll. *See back for more information.*
- Implement flexible scheduling and telework options that are right for your business, cutting commute time, expense and stress, while retaining or improving employee productivity and satisfaction.

**Way2Go** offers customized employer services that will help you support commuters in ways that are right for your business. Call us at 607-272-2292 or visit [www.way2goinfo.org](http://www.way2goinfo.org).