



American Payroll Association

Government Relations • Washington, DC

February 14, 2014

Dear Payroll Professional:

As you may know, Congress failed to enact legislation last year to maintain the monthly pretax cap of \$245 for the mass transit qualified transportation fringe benefit, and as a result the monthly limit for transit commuters was reduced to \$130 per month on January 1, 2014. We are writing to ask you to visit www.commuterbenefitsworkforus.com to contact your Representative and Senators in Congress and urge them to support passage of legislation to establish permanent parity between the parking and transit portions of the commuter benefit as early as possible in 2014.

As payroll professionals, you know the challenges of administering the program when monthly limits keep changing. These challenges are compounded by the prospect of Congress yet again providing a retroactive increase of the monthly cap. Passage of legislation to establish permanent parity between the parking and transit portions of the commuter benefit would end this cycle of uncertainty, and allow for much easier administration of the benefit.

The transit commuter benefit is an important fringe benefit that employers can provide to help their employees save money on their daily transit commute. The current disparity between the parking and transit benefits in the U.S. tax code now promotes an unfair policy that encourages commuters to drive to work, rather than use public transportation or vanpools.

Legislation to establish permanent parity between the two benefits has been introduced in both the U.S. Senate (S. 1112, the "Commuter Benefits Equity Act") and the House of Representatives (H.R. 2288, the "Commuter Parity Act"). In addition, Congress may be considering tax legislation in the coming weeks that will provide an opportunity to address this.

Please visit www.commuterbenefitsworkforus.com to write your Representative and Senators in Congress and ask them to take action now to support this critical issue. Letters generated through this website can be edited to allow you to tell your personal story on how the changes in the transit benefit, and retroactivity in particular, affect your operations.

Thank you in advance for your support of this critical issue.

Sincerely,

Michael O'Toole, Bill Dunn, Brian O'Laughlin, Curtis Tatum
APA's Government Relations Team