

# Commuter Benefit Enrollment Guide

Use pre-tax dollars for work-related mass transit expenses and save money on your transportation costs!

## OVERVIEW

A commuter reimbursement plan enables you to set aside money on a pre-tax basis to pay for your work-related transportation expenses (e.g. bus vouchers and passes, ferry passes, vanpool, commuter rail) and/or work-related parking expenses.

## TAXES 101

Before we go into the details of how the benefit works, here's a quick introduction to how taxes work. The federal government takes about 30% of each dollar that you earn in FICA and federal income tax, and you take home the remaining 70% to use for your living expenses. With a transportation reimbursement benefit, you can set aside money from your paycheck to pay for eligible expenses, before the federal government takes their 30%. Let's look at an example of how you save:

Employees A and B both earn \$35,000 per year after exemptions and standard deductions. They both also pay \$2,400 per year for transit expenses.

<b>Employee A</b>	
<i>Without Commuter Plan</i>	
\$35,000.00	Gross Pay
<u>-\$7,092.50</u>	Taxes
\$27,908.00	
<u>-\$2,400.00</u>	Transit Costs
\$25,508.00	Net Pay
<b>\$2,125.66</b>	<b>Monthly Pay</b>

<b>Employee B</b>	
<i>With Commuter Plan</i>	
\$35,000.00	Gross Pay
<u>-\$2,400.00</u>	Transit Costs
\$32,600.00	
<u>-\$6,548.90</u>	Transit Costs
\$26,051.10	Net Pay
<b>\$2,170.93</b>	<b>Monthly Pay</b>

**Employee B saves \$45.27 per month using an FSA — that's over \$543.24 per year in savings!**

The federal income tax rates change on a yearly basis. In addition to federal income tax, you may also have a state income tax. FSA deductions are exempt from FICA, and federal income tax. Although each state differs, deductions are typically exempt from most state and local taxes as well.

## SIMPLE FUND ACCESS

Use your Navia debit card while on the go to pay for expenses and have the amount automatically deducted from your commuter benefit account or pay out-of-pocket and submit a quick claim for reimbursement. We make claim submission easy through our mobile app and online portal.

**Still have questions on how the Commuter Benefit works?**

**Visit Us Online**  
[www.naviabenefits.com](http://www.naviabenefits.com)

**Call Us**  
 (800) 669-3539  
 Monday – Friday (5AM – 5PM PST)

**Email Us**  
[customerservice@naviabenefits.com](mailto:customerservice@naviabenefits.com)