



Edenred

Commuter Benefits 101

A complete guide to understanding
how commuter benefits work





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Why offer Commuter Benefits?

Employees' expectations for benefits are changing, and the benefits you offer need to keep up with those expectations.

It is becoming harder and harder to retain talent, therefore employers are looking beyond traditional benefits like health and dental insurance, and starting to focus on more unconventional benefits and perks.

Since employees are already paying to get to work, it makes sense to offer them a way to save. Commuter benefits allow employees to set aside tax-free money in their paychecks to pay for their commuting expenses. Commuter benefits apply to mass transit, rideshares and qualified paid parking.



Non-traditional benefits can help employers stand out by offering uncommon perks that can be meaningful to employees, positively impact company culture, and potentially help retain top talent.



HOW COMMUTER BENEFITS WORKS FOR YOUR EMPLOYEES

Product options

With options like vouchers and a prepaid card, Edenred offers a number of ways for your employees to pay for their commute. Commuter benefits can only be redeemed for qualified transit, parking or biking expenses, and cannot be redeemed for cash.

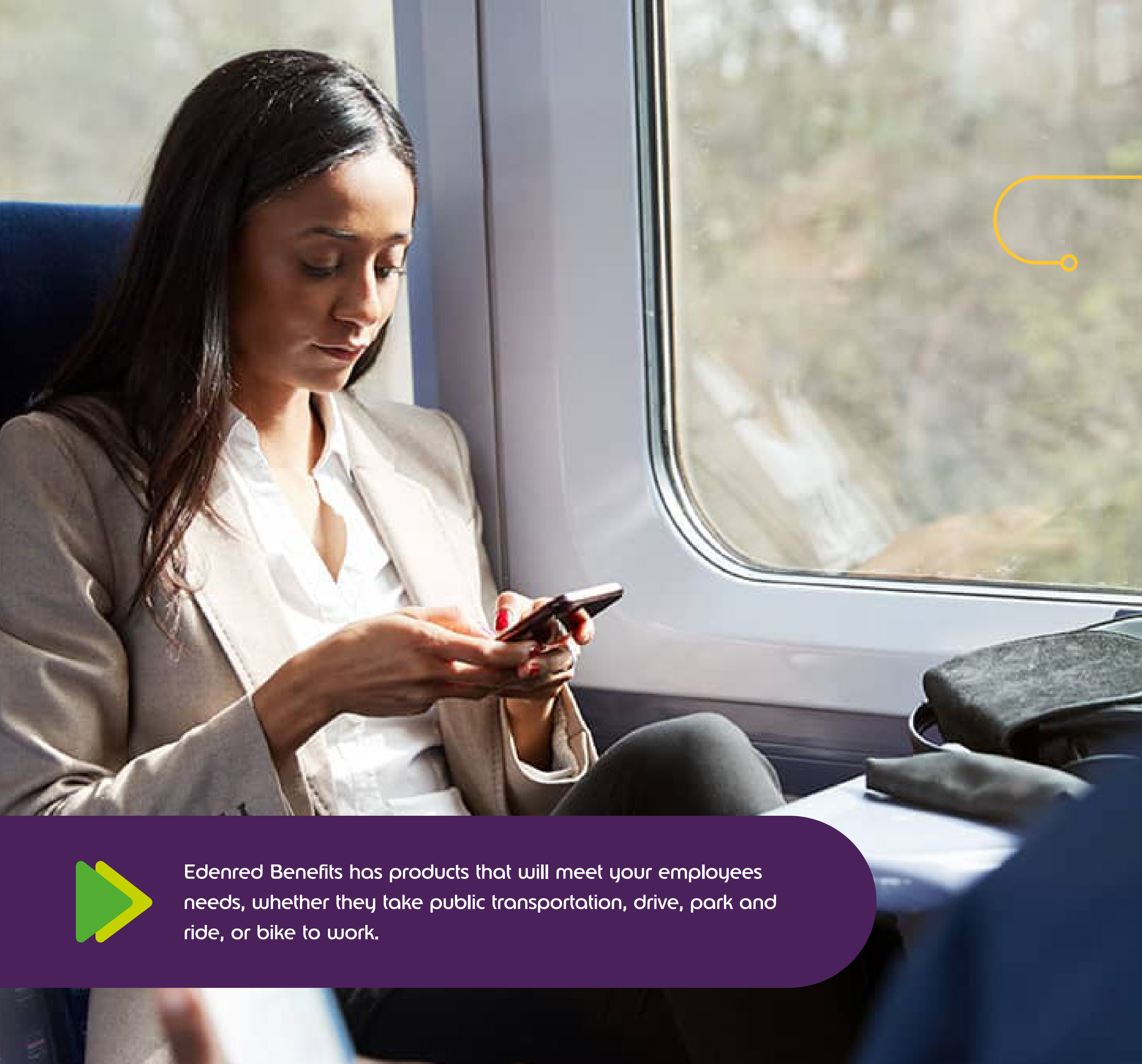
Delivery

Depending on your program, we will either ship all products to you to distribute to your employees, or ship directly to your employees. Options are also available for your employees to set up their monthly orders to recur, so your employees can “set it and forget it”.

Available dollar amounts

We offer products in any dollar value you or your employees need. Commuter products are available from \$10 up to \$280* for transit and from \$10 to \$280* for parking per month.

* As of the \$2022 tax year



Edenred Benefits has products that will meet your employees needs, whether they take public transportation, drive, park and ride, or bike to work.

Tax-free allowable limits

- Transit and vanpooling: \$280*
- Qualified commuter parking: \$280*
- Combined parking and transit benefits: \$560*

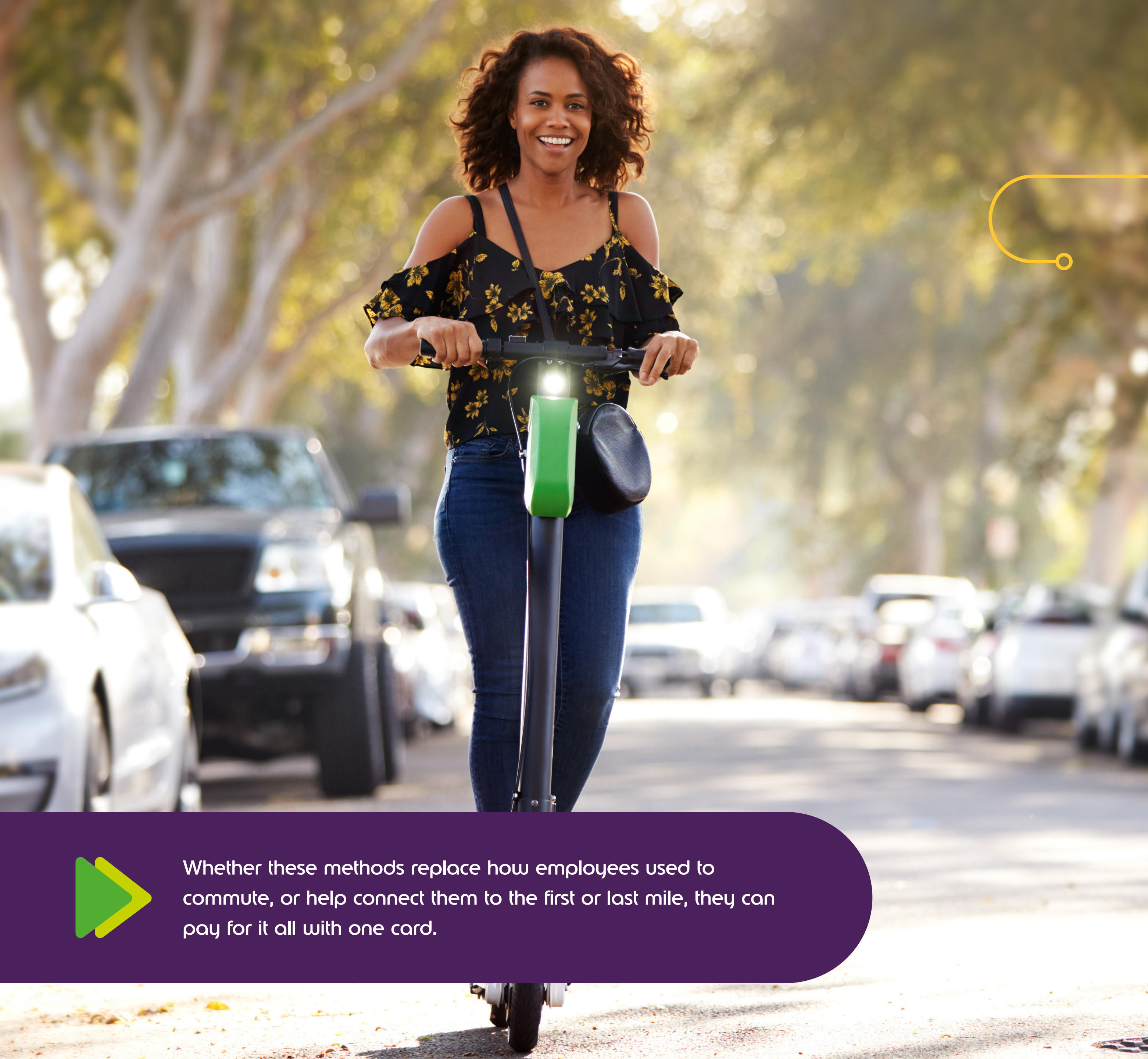
Qualified commuting expenses

- Bus, ferry, train, trolley tickets and passes
- Parking expenses: meters, garages and lots
- Vanpool fees (including UberPOOL and Lyft Shared)
- Bike maintenance and repairs

Expenses that are not covered

- Tolls
- Taxis
- Gas/fuel
- Mileage
- Business trip costs
- Airport parking fees
- Residential parking fees

* As of the \$2022 tax year



Whether these methods replace how employees used to commute, or help connect them to the first or last mile, they can pay for it all with one card.

New Micromobility Options

In addition to traditional commuting methods like transit and parking, we offer micromobility and shared mobility options.

Current micromobility options:

- Bike Shops
- Bike Sharing
- e-Scooter Rentals
- Private Lyft Rides
- Corporate Shuttle Services

How does it work?

Funds can be added to employees' commuter benefits accounts either by a company subsidy or direct employee funding from their payroll. Employees use that money to pay for the commute of their choice.

We'll take care of the rest: we will identify and manage all pre-tax eligible expenses.



BUILDING YOUR COMMUTER BENEFIT PROGRAM



No complex record keeping

Like any company expenditure, copies of order forms and canceled checks should be retained. But, no special IRS reporting, such as W-2 or 1099 statements, is required.

Setting up my company's program

Depending on which program you select, your account will be ready for order processing in as little as 1-2 business days. On average, the set up process for our more advanced programs are complete within 4-8 business days.

Choosing a program

Edenred Benefits offers three different programs guaranteed to fit your company's needs and budget. We never charge enrollment fees and all of our programs provide nationwide coverage.



Check out our [comparison chart](#) to determine which program is right for you.



A subsidy of \$250 is roughly equivalent to a \$406 pay raise, which would be taxable income.

The savings

Employers can save up to 7.65 percent in payroll costs every year. We make managing your commuter benefit programs easy, and you only need one employee to get started.

Subsidies vs. pre-tax deductions

A subsidy is an employer paid benefit, whereas, a pre-tax deduction is an employee paid payroll deduction. Commuter benefits can be offered as either a subsidy, pretax payroll deduction or a combination of both.

Offering the benefit as a subsidy is more cost effective when considering giving an employee the equivalent raise in salary due to the tax advantages. A subsidy saves the employer on payroll taxes and the employee on having to pay additional taxes on a higher income.

Edenred is a global leading services and payments platform. We are the everyday companion for people at work.

850,000
corporate clients

46
countries

50 million
participants



We are



ABOUT EDENRED COMMUTER BENEFITS

The industry experts

Edenred Benefits is the nation's only comprehensive commuter benefit solutions provider and number one resource for commuter savings.

Since 1985, Edenred Benefits has served Fortune 100 and Fortune 500 companies, top third party benefit administrators and currently manages the commuter programs for 3 of the nation's largest metropolitan area transit authorities including Boston, Philadelphia and Chicago.



Ready to get started?
[Book a Meeting](#) for a 15 Minute Call



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