

Transportation Management Account (TMA)

Save Money & Promote Going Green

Provide your employees a way to save money on daily expenses.

WHY SPONSOR A TMA PROGRAM?

A TMA is a pre-tax benefit that allows employees to pay for work-related transportation and parking expenses. This account reimburses employees for expenses such as buses, vanpooling, and subway or commuter-train costs. Not only does a TMA offer employees a way to save money on daily expenses, but also provides a green alternative that helps the environment!

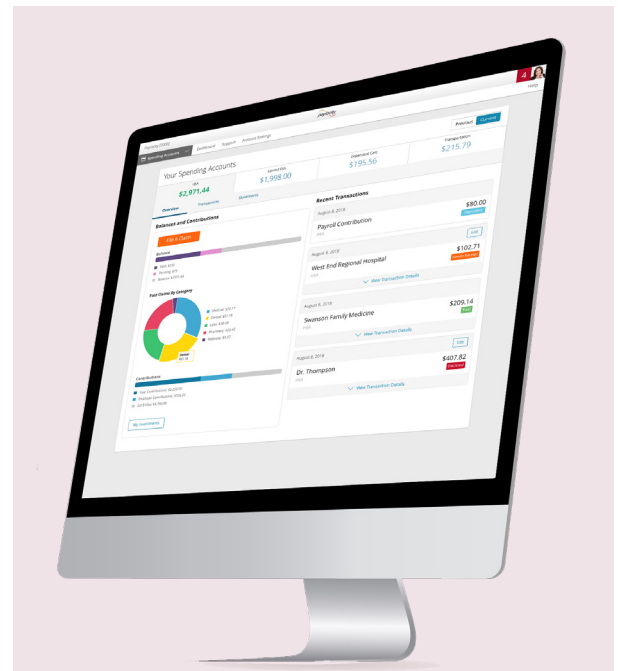
Employees who participate in the TMA program have increased spending power and substantial tax savings because they are using tax-free dollars to pay for qualified expenses. Similarly, employers experience 7.65% FICA tax savings on every dollar contributed to the plan.

WHAT PLANS CAN BE OFFERED UNDER AN FSA?

When an employee participates in a TMA, they will estimate their monthly transportation and/or parking expenses. This amount will be evenly deducted from their paycheck each pay period pre-tax.

Employees are allowed to make changes to their election at anytime throughout the year and any unused funds are rolled over from month-to-month.

Participants use Paylocity's Debit Smart Card to pay for qualified parking/transit expenses at approved merchants. If participants are unable to use their card for purchases, they may submit a claim for reimbursement. Expenses will only be paid up to the amount available in their account.



THE PAYLOCITY DIFFERENCE

With Paylocity's game-changing benefit administration technology, you can offer the same great TMA, but with an easily accessible, enhanced employee experience. Built right into your Paylocity payroll and human capital management (HCM) system, employees can access their TMA in the same place they request time off or view paystubs, streamlining disparate systems and time-consuming tasks.

Sponsor a TMA plan and give your employees a pre-tax benefit for work-related transportation expenses. Let's take a look at what reimbursements can be made:



Parking

Parking provided to employees on or near your business premises. It includes parking at the location from which your employees commute to work using mass transit, commuter highway vehicles, or carpools. It does not include parking near your employees' homes.



Commuter Highway Vehicle

Any highway vehicle that seats at least 6 adults (not including the driver). At least 80% of the vehicle's mileage must be for transporting employees between their homes and work place with employees occupying at least one-half of the vehicle's seats (not including the driver's).



Transit Passes


Any pass, token, fare card, voucher, or similar item entitling a person to ride at a reduced rate for one of the following:

- Mass Transit (publicly or privately operated & includes bus, rail, or ferry)
- Commuter Highway Vehicle (seats at least six adults, not including the driver)

WHO IS ELIGIBLE TO SPONSOR A TMA?*

- Corporations
- Partnerships
- S-Corporations
- LLCs
- Sole Proprietorships
- Government Entities
- Non-Profit Organizations

**IRS guidelines prohibit sole proprietors, partners, members of an LLC, and 2% or more shareholders of an S-corporation from participating in a TMA plan.*



ACCESS TO FUNDS AT YOUR FINGERTIPS!

Paylocity's Debit Smart Card gives employees instant access to employees' elected funds on a single card. Paying for qualified medical, dental, vision, and commuter expenses has never been easier than with a debit card loaded with your account balances from multiple plans. No more claim forms. No more paying out-of-pocket. No more hassle.

This information is provided as a courtesy, may change and is not intended as legal or tax guidance. Employers with questions or concerns outside the scope of an Employee Benefits Services Provider are encouraged to seek the advice of a qualified CPA, Tax or ERISA Attorney or Advisor.