

➤ **EBS makes it convenient.**

You will enjoy convenient and efficient administration of your qualified Parking and/or Transportation claims through EBS. You can send your claims to us for review via mail, fax or the web. Tax-free reimbursement of expenses can be made to you by check, or by direct deposit into your bank account, on the payment schedule established by your employer.

If allowed by your employer, EBS also offers the most convenient method of paying for your qualified Parking and/or Transportation expenses - **The EBS Flex Card**. The EBS Flex Card automates the process of paying for your eligible Parking and/or Transportation expenses by paying the provider at the point of service. The same **EBS Flex Card** can also be used for eligible FSA expenses.

For inquiries, you can call Customer Service toll-free, or conveniently log onto the web 24/7 to:

- View your account activity
- Download forms
- Access enrollment materials and other information
- Submit claims

EBS Benefit Solutions, Inc. is a comprehensive employee benefits consulting and administration firm, with offices in Rochester and Syracuse, New York. Established in 1974, EBS provides qualified Parking, Transportation, and Flexible Spending Account administrative services to over 1,000 companies throughout the United States.

For more information on EBS Benefit Solutions, Inc. visit:
www.ebsbenefitsolutions.com

30 Perinton Hills Mall
Fairport, NY 14450
Phone: (585) 421-4400

344 South Warren Street
Syracuse, NY 13202
Phone: (800) 828-0078



EBS Benefit Solutions, Inc.

Qualified Parking and Transportation Reimbursement Accounts

A Benefit with Tax Savings and Convenience

➤ What is a qualified Parking and/or Transportation Account?

In 1997, Congress passed the Tax Relief Act. A portion of that Act expanded Section 132 of the Internal Revenue Service (IRS) Code, allowing tax-free workplace parking and transportation benefits effective January 1, 1998.

How does it work? If you pay for parking on or near your place of employment, you can set aside up to \$2,460/year (\$205/month), tax-free to cover your workplace parking expenses. Employees can also set aside up to \$1,260/year (\$105/month), tax-free to pay for your public transportation expenses for travel to and from your place of employment. When employees incur parking or transit expenses, they simply submit a claim to receive reimbursement from their account, tax-free. Or, if you use the **EBS Flex Card**, you can pay for the expense immediately and conveniently at the point of service.

Tax Savings: Here's How

How does a Parking and/or Transportation Account benefit an Employee?

Estimated Tax Savings:

	With Parking/Transit Account	Without
Annual Pay	\$35,000	\$35,000
Pre-Tax Contribution	(\$1,500)	\$0
Taxable Income	\$33,500	\$35,000
Federal/State Income Taxes	(\$6,700)	(\$7,000)
After Tax dollars spent on eligible expenses	\$0	(\$1,500)
Spendable Income	\$26,800	\$26,500
Employee Tax Savings	\$300	\$0

Paying for your qualified Parking or Transportation expenses through the Account is not only convenient, but also can save your valuable tax dollars!

Qualified expenses that you can pay through your Account tax-free include:

- Parking
- Bus passes
- Tokens
- Vouchers
- Subway Cards

How do I participate in a Section 132 Parking and/or Transportation Account?

As a qualified employee benefit plan under IRC Section 132, a Parking/Transportation Account must be set-up by your employer.

You must enroll in the Account at the beginning of the plan year by completing an Election Form, and your Account will be funded through payroll deductions.

When you incur qualified expenses, you can submit them to EBS Benefit Solutions by completing a Claim Form, and attaching your receipts. EBS will then reimburse you for the amount of your qualified expenses incurred during the plan year, tax-free. Or, if you use the **EBS Flex Card**, payment is made immediately to your provider at the point of service.

Typically, reimbursement checks will not be issued to you unless you have claims of at least \$30, although the final claim of the year can be less.