

Commuter Benefit Plan 2008

For Pre-Tax Mass Transit & Parking Expenses



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TRUST ADMINISTRATORS, INC.
WWW.TRUSTADMIN.COM



CBP

SAMPLE FROM TRUST ADMINISTRATORS, INC.
COMMUTER BENEFIT PLAN - EMPLOYEE SUMMARY

Plan Year: Start: January 1, 2008 End: December 31, 2008

MASS TRANSIT & PARKING BENEFITS FROM MORE THAN ONE EMPLOYER

Some employees have two or more jobs. Each employer may establish a CBP with employees electing to reduce their compensation up to the federal limits outlined in this Employee Summary.

PLANNING YOUR EXPENSES & ENROLLMENT

Estimate your average monthly commuter expenses for the Plan Year indicated above.

Your reimbursement will be included with your paycheck. However, in order to accomplish this, you must first send a claim form with a copy of your ticket (or affidavit) requesting the amount you elected for the entire plan year. Your contribution will be deducted pre-tax each pay period and recycled back in your paycheck untaxed.

Using the CBP's Enrollment Form, indicate the amount you want deducted for the year and return it to Human Resources. The amount elected will be deducted evenly each pay period throughout the year.

CHANGING YOUR CONTRIBUTIONS - MODIFICATIONS - MONTHLY CARRYOVER RULE

You may enroll, disenroll or modify your contributions at any time by notifying Payroll or Human Resources. You do not need a life event or status change like a Flex-Plan. However, so the administration does not become difficult, please try to minimize those changes and plan carefully.

A CBP does not have a "use-it or lose-it" rule like a Flex-Plan. You may now carry-over unused/unclaimed contributions for future monthly commuter expenses, including the next plan year, up to the monthly amount you enrolled and prior to any modification. However, reimbursement may not exceed the federal monthly limit. Remember, you may change your contributions at any time, but only on a prospective basis (going forward), not retroactive.

If your commuter expenses do not change month to month (e.g. you purchase a monthly transit pass or park at a lot at the same rate each month), modifications should not be necessary.

EXAMPLES OF EMPLOYEE SAVINGS

Example 1	With Plan	No Plan	Example 2	With Plan	No Plan
Employee Income	\$32,500.00	\$32,500.00	Family Income	\$45,000.00	\$45,000.00
Transit [\$60/Mo.]	<u>-720.00</u>	<u>-0.00</u>	Parking [\$180/Mo.]	<u>-2,160</u>	<u>-0.00</u>
Taxable Pay	\$31,780.00	\$32,500.00	Taxable Pay	\$42,840.00	\$45,000.00
Estimated Taxes	<u>-7,797.00</u>	<u>-8,295.00</u>	Estimated Taxes	<u>-17,316.00</u>	<u>-18,292.00</u>
After-Tax Income	\$23,983.00	\$24,205.00	After-Tax Income	\$25,524.00	\$26,708.00
Transit [\$60/Mo.]	<u>0.00</u>	<u>-720.00</u>	Parking [\$180/Mo.]	<u>0.00</u>	<u>-2,160.00</u>
Spendable Income	\$23,983.00	\$23,485.00	Spendable Income	\$25,524.00	\$24,548.00
Tax-Free Income with CBP: <u>\$498.00</u>			Tax-Free Income with CBP: <u>\$976.00</u>		

Your savings may differ based on exemptions, deductions, contributions to retirement, etc.

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FILING CLAIMS & REIMBURSEMENT OF EXPENSES

After incurring a commuter or parking expense, file a claim with Trust Administrators, Inc. (TAI). Include documentation (copies of transit ticket, monthly Fast Pass, parking receipt). You may also file annual claims - see Claim Form for details. If a parking receipt is unavailable, complete the "Parking Without Receipt" form that is available from your H.R Dept. or TAI's website under "Forms." TAI will reimburse you per the schedule listed on the Claim Form included with this Summary. Extra Claim Forms are available from Human Resources and online. You have an extra 90 days after the end of each plan year to submit last year's expenses. This is referred to as the "grace" period.

REIMBURSEMENT OF EXPENSES UPON TERMINATION

IRS regulations provide that if you terminate employment during the plan year, your last CBP contribution and reimbursement will be prorated to the date of termination.

Claims may be submitted upon termination at any time during the balance of the plan year, including the grace period (90 days after the plan year ends).

PLANNING YOUR COMMUTER EXPENSES
HOW MUCH WILL YOU SAVE?

2007 TAX TABLES with FICA & Medicare							COMMUTER WORKSHEET	
Income Tax Brackets		Filing Status						
		Single	MFJ	MFS	HOH			
\$1 -	\$8,025	17.65	17.65	17.65	17.65			
8,026 -	11,450	22.65	17.65	22.65	17.65			
11,451 -	16,050	22.65	17.65	22.65	22.65			
16,051 -	32,550	22.65	22.65	22.65	22.65			
32,551 -	43,650	32.65	22.65	32.65	22.65			
43,651 -	65,100	32.65	22.65	32.65	32.65			
65,101 -	65,725	32.65	32.65	32.65	32.65			
65,726 -	78,850	32.65	32.65	35.65	32.65			
78,851 -	100,150	35.65	32.65	35.65	32.65			
100,151 -	102,000	35.65	32.65	40.65	32.65			
102,001 -	112,650	29.45	26.45	34.45	26.45			
112,651 -	131,450	29.45	26.45	34.45	29.45			
131,451 -	164,550	29.45	29.45	34.45	29.45			
164,551 -	178,850	34.45	29.45	34.45	29.45			
178,851 -	182,400	34.45	29.45	36.45	29.45			
182,401 -	200,300	34.45	29.45	36.45	34.45			
200,301 -	357,700	34.45	34.45	36.45	34.45			
357,701 &	More	36.45	36.45	36.45	36.45			

Add State Taxes of 3% to 9% for Extra Savings if applicable.
 Social Security Limit for 2008 is \$102,000; salaries above that amount save 6.2%, but Medicare payments of 1.45% continue.

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 Trust Administrators, Inc.
 1970 Broadway, Suite 1140 • Oakland, CA 94612
 Telephone: 510-451-2810 • Fax: 510-451-8611

Mass Transit Monthly Limit: \$115 (\$1,380 per yr.)
 Parking Monthly Limit: \$220 (\$2,640 per yr.)
 Compute expenses on a monthly basis from your enrollment (coverage) date.

1. Annual Gross Income (Yours & Spouse) _____

2. List Annual Commuter Expenses:

A. Mass Transit _____

B. Parking _____

TOTAL _____

3. Find Taxable Income. Multiply Tax Rate % by Line 2 and Enter Result to compute tax savings. \$

Example: Earn \$80,000 and file as Single. Commuter expenses amount to \$1,200 per calendar year.
Tax savings is \$427.80 (\$1,200 X .3565)

Online Calculator at www.trustadmin.com
 Questions: 800-932-3539

SAMPLE FROM TRUST ADMINISTRATORS, INC.
COMMUTER BENEFIT PLAN - ENROLLMENT FORM



Plan Year: Start: January 1, 2008 End: December 31, 2008

CBP

Print Clearly

Employee Name _____ Social Security # _____ - _____ - _____

Home Address (Street) _____

City _____ State _____ Zip code _____

E-Mail Address _____ Home Telephone (____) _____

ELECTION TO PARTICIPATE

I authorize pre-tax deductions from my salary for the Commuter Benefit Plan (CBP). I understand the annual amount selected will be deducted evenly each pay period throughout the plan year. The monthly amounts shall not exceed the amounts indicated below. I also understand that I may stop, increase or decrease my deductions as well as enroll during the plan year when my transportation expenses change and I cannot forfeit contributions. I cannot be reimbursed for expenses prior to my enrollment date.

I incur the following work related transportation expenses. I may enroll in both accounts if I have both expenses.

2008 MASS TRANSIT • \$115 PER MONTH • \$1,380 PER CALENDAR YEAR

"Transit Passes" such as tokens, farecards, vouchers or monthly passes \$ _____

"Vanpools" or "Commuter Highway Vehicles" having a seating capacity of at least 6 adults (not including the driver). \$ _____

ANNUAL AMOUNT \$ _____

2008 PARKING • \$220 PER MONTH • \$2,640 PER CALENDAR YEAR

Parking at or near Employer's worksite or to a location for commuting to work by carpool, vanpool or mass transit.

ANNUAL AMOUNT \$ _____

Employee Signature _____

Date _____

TRUST ADMINISTRATORS, INC.
QUESTIONS? 800-932-3539
www.trustadmin.com
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Effective Date for Deductions
Completed by Employer _____

Distribution: Original to Employer • Copies for Participant and TAI

**SAMPLE FROM TRUST ADMINISTRATORS, INC.
 COMMUTER BENEFIT PLAN - CLAIM FORM**



Plan Year: Start: January 1, 2008 End: December 31, 2008

CBP

**> Reimbursement
 Schedule**

Determined By Each Employer

Print Clearly

Employee Name _____ Social Security # _____ - _____ - _____

Home Address (Street) _____ Check Box if New Address

City _____ State _____ Zip code _____

Daytime Phone (_____) _____ Check Box if Date Terminated: _____

E-Mail Address _____

ONLINE ACCOUNT LOOKUP:

GO TO: www.trustadmin.com • Click Account Lookup. Enter your Social Security Number.

ONLINE ACCOUNT LOOK-UP

"ACCESS" NUMBER: To Be Assigned

PASSWORD: To Be Assigned

FILING CLAIMS:

- (1) Complete Form listing expenses. Attach extra Forms if needed. SIGN and DATE below.
- (2) Attach copies of receipts and **YOU KEEP THE ORIGINAL DOCUMENTS** for your records.
- (3) Mail to Trust Administrators, P.O. Box 20710, Oakland, CA 94620
 [Be sure your postage is correct and documents legible.]

Filing an Annual Claim: File your first claim with sample expense documentation (e.g. transit pass or parking receipt) for the amount you enrolled and you will not have to file future claims unless your mode of transportation changes (e.g. you start using train instead of a vanpool). If you change, just send new claim form with new documentation.

FAX CLAIM: 510-451-8611 • QUESTIONS: 800-932-3539

COMMUTER EXPENSES

DESCRIBE EXPENSE TRANSIT • VANPOOL • PARKING	INDICATE PERIOD OF SERVICE (Monthly or Annual)	AMOUNT CLAIMED

Vanpool License Number: _____ \$

> Employee Signature _____ **Date** _____

I certify this claim is accurate and the attached documentation (with the exception of metered parking) represents a sampling of my transportation expenses. I understand I may not claim duplicate expenses from another CBP.

