



Transit Reimbursement Accounts

INTRODUCTION

WHAT IS A TRA?



TRAs--enabled through IRS Tax Code Section 132(f)--are employer-sponsored, pre-tax accounts that employees can use to pay transportation and parking expenses for the purpose of commuting to and from work. Employees are allowed to pay up to \$230/month

for mass transportation and \$230/month for parking (totaling \$5,520 annually as of 2009) with pre-tax dollars.

The parking portion of these accounts are set up as reimbursements, which require employees to voluntarily set funds aside and then draw them out as needed. The transportation portion allows participants to attain tax savings by ordering the transportation cards or checks through FlexTRANSIT. We provide the services to implement and administer TRAs, as well as educate and enroll employees.

ABOUT FLEX

Founded in 1988, Flexible Benefit Service Corporation (Flex) is a wholesale insurance firm and benefits administrator. Headquartered in Rosemont, Illinois, we work directly with insurance brokers and offer a deep understanding of the consumer and group health insurance markets.

Flex is committed to finding solutions for rising healthcare costs and promoting plans that offer premium relief. Through our innovative technology, strong industry relationships and superior customer service, Flex is at the forefront of the latest trends and key options in health insurance and benefits administration.

FLEXTRANSIT STEPS

1. Select which employees will receive the benefit. Discrimination testing is not required and employers can offer this benefit to all or select employees.
2. Decide who will fund the account. Although typically fully-funded by employees, employers can make the total contributions, a portion of it, or match the employee's (up to the maximum amount).
3. Select expenses to be reimbursed. Funds are to be used for any transit and parking expenses associated with an employee's workplace (i.e., daily parking expenses, transit passes/fare card, vanpool [6+passengers], etc.).
4. Create plan document and communication. We will help design a plan document to serve as the employer's guide to explaining and administering the benefit.
5. Offer enrollment for employees. Flex administrators will coordinate the education and enrollment of employees into FlexTRANSIT through on-site meetings. Once enrollment is complete, we will set up the accounts and begin reimbursing them as requested.

FLEX PRODUCTS



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