



Employee – Transit Benefit Program

Frequently Asked Questions

Transit Benefit Program



Q: How does transit benefits save me money?

A: The amount of money you set aside to pay for your commute doesn't count as income, so you're not taxed on it. By having your commuting costs automatically deducted from your paycheck, you're taking home more money and giving less to Uncle Sam.

Q: What are the current monthly tax-free allowable limits?

A: You can set aside up to \$255 a month for commuting uses.

Q: How do I do it?

A: First, register your Ventra Account and get its Transit Account number from ventrachicago.com. Then contact your Human Resource administrator to enroll, select your pretax set aside amount, and start saving!

Q: Can I redeem my commuter benefit for cash?

A: No

Q: What if I don't use all of my allocated transit benefit funds for the month?

A: Transit benefits are rolling, meaning you can sign up, make changes or drop out at any time. Unused funds from one month can be rolled over to the next.

Q: I missed open enrollment. What do I do now?

A: Don't worry, you can sign up, make changes or drop out any time of the year. No need to wait for open enrollment.

Q: Sounds like a pain. How complicated is it, really?

A: The process is pretty painless. Just like an FSA, transit benefits involves simply selecting a chosen allotment to deposit into your spending account. But, even better than an FSA, you can make changes to these elections at any time. You can even set up automatic reorders, which ensures you'll receive your benefits each month hassle-free.



Transit Benefits 101 for Employees

CTA/Ventra Transit Benefits Program



What are Transit Benefits?

The IRS created a program to extend tax-free benefits to assist with employee's commuting costs. The idea is simple – incentivize employees to take public transportation and help them avoid gas and parking expenses, while reducing the number of cars on the road.

How It Works?

Companies have the option of subsidizing employees' transit costs at a level of their choice, or designating a portion of an employee's pretax income to pay for transit. The outcome is a reduction of taxes for employees and employers, regardless of the level of subsidization by the employer.

Simply figure out your monthly transit costs and ask your HR department how to sign up!

Does it only work for CTA?

Ventra Transit Benefits can be used on CTA or Pace, as well as on Metra using the Ventra app.

How Do I Save?

Employees who participate in the CTA/Ventra Transit Benefit Program don't have to pay income taxes on the pretax income they set aside for their commute, saving up to 40% on their commuting expenses.

Is there a company size limit?

No, companies of any size can participate in a transit-benefit program.

Where do Transit Benefits come from?

IRS Section 132(f) makes it possible for tax-paying commuters to get more out of their paychecks by reducing commuting costs up to 40% and employers can realize about a 7.65 percent reduction in payroll taxes.