

**Q: What is the Pre-Tax Commuter Benefit?**

A: The Commuter Benefit allows eligible employees to pay for qualifying transit expenses on a pre-tax basis.

**Q: Why does the City offer a Pre-Tax Commuter Benefit Program?**

A: The City provided SmartPass allows benefitted employees to use VTA transit services (Light Rail, and non-Express Buses) free of charge. Pass holders will receive a 50% discount on Express Buses. Having a Commuter Benefit offers an opportunity for eligible employees to pay for non-VTA transit services and Express Bus fares with pre-tax dollars. Both the SmartPass and the Pre-Tax Commuter Benefit support the City's commitment to expand opportunities for employees to travel by means other than driving.

**Q: Am I eligible?**

A: Eligible employees are full-time and part-time benefitted City employees classified at 20 hours per week or more. Part-time unbenefitted employees are not eligible to participate.

**Q: When is the Pre-Tax Commuter Benefit available for me to enroll in?**

A: The Commuter Benefit is available to start, change, or cancel throughout the year.

**Q: How do I enroll?**

A: Complete and submit the [Pre-Tax Commuter Benefit Enrollment/Change Form](#) and return to Human Resources Benefits at [HRBenefits@sanjoseca.gov](mailto:HRBenefits@sanjoseca.gov).

**Q: Can I participate in the Pre-Tax Commuter Benefit anytime?**

A: You can enroll in, change or cancel your commuter benefit election each month. Elections, changes or cancellation of elections will be effective the first semi-monthly payday of the next month as long as your Enrollment/Change Form is received and processed by Human Resources before the payroll's cutoff date.

**Q: If the cost of my transit increases or decreases, can I change the amount of my election?**

A: You may change the amount of your commuter benefit election each month. Changes will be effective the first semi-monthly payday of the next month as long as your Enrollment/Change Form is received and processed by Human Resources before the payroll's cutoff date.

**Q: Will I have to pay taxes on the amount withheld from my salary to pay for my transit expenses?**

A: No, these amounts will not be included in your taxable income. Commuter benefit elections are exempt from State, Federal and FICA taxes.

**Q: How much money can I elect to be withheld from my salary to pay for my transit expenses?**

A: You can elect up to a maximum of \$235 per month withheld from your paychecks pre-tax (\$117.5 semi-monthly; deducted on the first two paydays of each month).

For 2025, Federal tax rules allow up to \$325 per month in pre-tax transportation benefits. The market value of the City provided VTA SmartPass of \$90 per month is allocated towards the limit of \$325 per month. Therefore, the maximum employees may contribute for 2025 towards the Pre-Tax Commuter Benefit is \$235 per month.

**Q: Is there a fee to participate?**

A: The City will pay for the administrative fee of \$2.50 per employee per month.

**Q: Will I receive a debit card?**

A: Yes, you will receive a debit card that MUST be used to pay for your qualifying transportation expenses. After you enroll, you should receive your debit card within two weeks. Employees who enroll in the

Medical FSA and the Commuter Benefit will receive one debit card for both accounts. If you are enrolled in the FSA and then enroll in the Commuter Benefit, your election amount will be automatically added to your existing debit card.

**Q: When will my election amount be added to my debit card?**

A: Your debit card should be loaded within two business days after each semi-monthly payday.

**Q: What are qualifying transit expenses?**

A: Qualifying expenses for transit services include subways, buses, ferries, commuter rail, and vanpools. Locally, this includes BART, Caltrain, Highway 17 Express Buses, ACE trains, and Vanpools. Expenses that are not eligible include parking, carpools, tolls, gas, and other driving related expenses.

**Q: What if my transit provider doesn't accept a debit card?**

A: IRS prohibits cash reimbursements for mass transit expenses when a terminal-restricted debit card is readily available in the employer's geographic area, beginning 1/1/2016. If fare cards are not available; for example, commuter vanpool service, the law allows you to be reimbursed for the cost of your vanpool service after receiving your completed claim form and proof of the expense. Please refer to the sample [listing of vendors](#).

**Q: How do I file a claim for a qualifying expense?**

A: As noted above, IRS prohibits cash reimbursements for mass transit expenses when a terminal-restricted debit card is readily available in the employer's geographic area, so you should not need to file any manual claims since all expenses are paid directly by your P&A issued debit card.

**Q: What happens to the funds in my commuter account if I leave my employer?**

A: According to IRS regulations, any unused account balance you have must be forfeited and cannot be paid back to you.

**Q: What if I have more questions?**

A: You may contact P&A's Customer Service directly:

**P&A's Customer Service:**

**Representatives**

Call (800) 688-2611 to speak with a representative Monday – Friday, 5:30 AM – 5:00 PM (PST).

**Live Online Chat**

Live online chat is a real-time messaging system that's available to you at the click of a button. When you visit P&A's website at [www.padmin.com](http://www.padmin.com), locate the live chat button and click on it to speak with a P&A representative online Monday – Friday, 5:30 AM – 5:00 PM (PST).

**SMS Text Messaging Feature**

After you are enrolled, the SMS Text Messaging Feature will be available to you. Update your P&A profile with your mobile number. Text **CLM** to the number 70626 and get a text message with your real-time account balance.