



## **Pre-Tax Parking/Transportation Benefit 2020 Contribution Limits**

### Plan Highlights

- Employees may reduce taxable income by up to \$265/month for work-related parking and/or up to \$265/month for public transportation used in their work commute.
  - In the case of public transportation, the covered costs must be for travel between the employee's home and the work location.
  - In the case of parking, the cost must be work-related, and, therefore, must be parking that is on or near your place of employment or parking that is at or near the place from which you commute to work. However, in neither case may the parking be at or near your home.
- The program operates under monthly participation periods. Each participation period will begin on the first day of the calendar month and will last the duration of the calendar month. Employees must enroll by submitting a McClatchy Pre-Tax Parking/Transportation Enrollment form no later than the 10<sup>th</sup> business day before the start of the month. Elections automatically renew each month unless revoked or changed in writing by the employee before the 10<sup>th</sup> business day prior to the start of a month.
- Once the participation period begins, elections (or default elections) are irrevocable.

### Employer-Sponsored Parking

- Employees may pay for employer-sponsored parking through salary deductions. No claim forms are required.
- Parking payments are deducted from earnings before federal, state (if applicable), FICA, or FUTA taxes are assessed.
- Employer-sponsored parking elections will remain in effect until cancelled by the employee.

## Non-Employer Sponsored Parking/Public Transportation Account Participants

- Employees contribute funds to their parking and public transportation accounts on a pre-tax basis. Employees must determine the monthly amount to be withheld from their earnings when they enroll in one or both of the plans. The amount will be deducted in relatively equal amounts from all applicable pay periods.
- Receipts substantiating expenses must accompany the signed claim forms. In cases where the receipts are unavailable, the employee must include a signed letter explaining why a receipt is unavailable. Employees must specify the amount of the claim used for parking and the amount used for public transportation on the claim form. Claims can be submitted to PayFlex by fax at (888) 238-3539 or by mail to:

PayFlex  
P.O. Box 3039  
Omaha, NE 68103-3039

- In the event that a participant's account accumulates funds greater than the monthly limit, the maximum amount that can be incurred and reimbursed for a calendar month remains \$265 for parking and \$265 for public transportation for a total up to \$530/month if both plans are elected; however you can submit claims incurred in previous months that were not yet reimbursed.
- Unused contributions will carry forward to the following monthly participation period, even if that period is in the following calendar year. If you are an active employee with an account balance and you have not had any pre-tax parking/public transportation deductions or claims for a period of six calendar months, your account balance will be forfeited.
- Any unused contributions will be forfeited following an employee's termination from the company. Contributions will be treated as unused if you have not submitted reimbursable claims by March 1<sup>st</sup> of the year following your termination. Example: If you terminate employment on Feb. 4, 2020, you would have until March 1, 2021, to submit eligible claims incurred prior to your employment termination date.
- Participants should monitor and manage their account balances. To avoid forfeitures, stop payroll deductions about a month prior to your termination with the company and adjust payroll deductions as needed to manage high account balances.
- PayFlex processes requests for reimbursements on a daily basis. Complete and accurate requests received by PayFlex will be processed within 48 hours of receipt, with checks mailed or direct deposits initiated the following business day.