

## **CET EMPLOYER GROUP PASS PROGRAM & TAX BENEFITS AVAILABLE**



### **I. Benefits**

- Provide a low cost benefit to employees
- Free up parking spots and save money on parking structures, leased lots, and building additional parking lots.
- Expand potential employee pool
- Reduce traffic congestion
- Risk free with emergency ride home program
- Qualify for Oregon's BETC Program
- Or....Pre-Tax pass purchase for employees

### **II. Federal Tax Benefits**

Federal law allows employers to offer a tax-free benefit for commuting to work using public transit. This can work in one of three ways....

- 1) Employee authorized a payroll deduction and the purchase is made with pre-tax dollars.
- 2) An Employer can share the cost with the employee, with both receiving a tax benefit.
- 3) The company pays for the cost of the pass. The employer can deduct the amount paid from their taxable payroll, as well as claim a tax-deductible business expense.

### **III. Business Energy Tax Credit (BETC):** The BETC program allows businesses the option of receiving 35% of the cost of providing bus passes for employees as a State of Oregon tax credit.

### **IV. Employer Options**

- 1) **Direct Billing** - Issue passes to employees upon request, and CET will bill monthly for only the number and type issued.

2) **Group Pass Program** – (See Group Pass Policy)

The monthly cost is calculated on where your employees work and live and the number who work during transit operating hours for a low monthly cost, but the benefit applies to all your employees.

Example: A firm has 515 employees

1. 70% live/work in Bend and 85% work between 7:30am – 5:30pm.
2. 10% live in La Pine, Redmond & Prineville and work in Bend with 70% working between 7:30am – 5:30pm.
3. 10% live in Madras/Sisters/Prineville and work in Redmond, 60% of which work during transit operating hours
4. 10% live/work in Redmond, 60% of which work during Redmond Transit operating hours.

Monthly Cost Calculation:

- $515 \times .70 \times .85 \times \$5 = \$1,532$
- $515 \times .10 \times .70 \times \$20 = \$721$
- $515 \times .10 \times .60 \times \$20 = \$618$
- $515 \times .10 \times .60 \times \$8 = \$247$

**= \$3,118 per month**

All 515 employees would receive unlimited rides on the Cascades East Transit system including seasonal service (Ride the River) and Redmond Airport Service by showing their employee pass.

Included:

- \* Emergency Ride Home Program
- \* Learn to Ride Program, Ride Planning Events
- \* Annual Renewal

**To Learn More:**

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