

# Parking Accounts

**Qualified  
Transportation  
Benefits**

We want you to know<sup>SM</sup>



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## Qualified Transportation Benefits

A Qualified Transportation Benefit (QTB) Reimbursement Account allows you to direct a part of your pay, on a pretax basis, into a special account(s) that can be used to reimburse you for certain work-related transportation expenses.

One type of QTB account is a **parking account**, which allows you to receive reimbursement for work-related parking expenses. Eligible expenses include parking costs incurred at or near your worksite, or a facility from which you commute to work by carpool, commuter highway vehicle, mass transit facilities, transportation provided by a person in the business of transporting persons for compensation or hire, or by any other means.

Because this money goes into your parking account before federal income or Social Security taxes are withheld, you pay less in taxes and, ultimately, have more disposable income. In most cases, your money is exempt from state and local taxes as well. (Check with your tax advisor to find out whether this tax exemption applies in your state.)

## How the Account Works

You decide whether or not you want to participate in a parking reimbursement account. Once you've made that decision, you then estimate the amount of eligible expenses you are likely to have during the year and decide how much of your salary you want to set aside to help pay for them. The amount you elect will be automatically deducted from your paychecks during the year and credited to your account. Once you've paid for your parking expenses, you may be reimbursed from your transportation account with tax-free money.

## Current Rules

In June 1998, Section 132 of the Internal Revenue Code was amended to permit employers to offer their employees qualified transportation benefits (QTB) on a pretax basis.

Federal regulations limit the amount you can be reimbursed under a QTB account. This amount may be indexed for inflation in the future. When you elect to participate in a QTB parking account, you can receive up to the maximum monthly allowable amount for the account. Any unused contributions you make to the plan will be carried over to your account from month to month and year to year. You will never forfeit this money unless you terminate employment and do not submit eligible expenses incurred prior to your termination date for any balance remaining. You are allowed one year from the date of your termination to submit an expense incurred during your employment.

## Reimbursement From Your Account

To be reimbursed for a parking expense, you simply pay for the expense then submit a QTB Reimbursement Request form along with a receipt for the incurred expense (payment frequency is determined by your employer). You will receive reimbursement for the expense provided you have sufficient funds in your account to cover the expense, and provided prepaid vouchers are not available for distribution to employees. If your account does not have sufficient funds to cover the submitted expense, you will receive a reimbursement for the amount available in your account. Expenses exceeding that month's contribution will be reimbursed as additional contributions are applied to your account. Claims will be paid to the monthly allowable maximum for the benefit. Any claim amount over the monthly maximum will be denied.

## How to Enroll

If you decide to enroll in a QTB Reimbursement Account, your employer will provide you with the necessary enrollment procedures. Only those expenses you incur on or after the effective date of your enrollment in this plan will be eligible for reimbursement.

## Submitting Your Claim

- A completed Qualified Transportation Benefit claim form is required for each claim submission.
- Do not submit claims for your dependents. Reimbursement eligibility is limited to enrolled members.
- Metered parking expenses do not require documentation and may be reimbursed using the submitted claim form.
- Expenses must be separated and listed by calendar month.
- For additional information, visit our website for a hot link to IRS Publication 535: [www.aetna.com/fsa](http://www.aetna.com/fsa).

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