Parking Account Benefit

Use pretax dollars for work-related parking expenses.

The Transportation Equity Act makes it possible for employees to contribute **pretax dollars** to a Parking Account to pay for qualified work-related parking expenses.

Depending on your tax bracket, you can save up to 40% on your parking costs by using pretax dollars—a significant tax benefit that reduces your taxable income.

How it works

When you enroll in a Parking Account, you elect a **monthly** contribution for the Plan Year based on your anticipated expenses and IRS limits. That election is deducted from your paycheck (before taxes) in **equal installments** throughout the year.

You will receive a TASC Card in the mail to use for eligible purchases. Simply swipe the card to pay for an eligible work-related expense, such as a parking ramp fee, and the funds are directly withdrawn from your available account balance. (Alternately, you can request reimbursement for an eligible expense via the TASC website or mobile app, or by using a paper form.)

If you have questions about making changes to a Parking Account election midyear, please contact the City of Madison Benefits Team at benefits@cityofmadison.com for assistance.

What can I use the Parking Account for?

Eligible expenses include:

- Parking expenses incurred at work (meter, ramp)
- Work-related park-and-ride (expenses incurred at a location where you park and take public transportation to work)

Please note that gas, tolls, and ridesharing services are **not** eligible for the Parking Account Benefit.

Tips from TASC

- Each $1 you contribute to a pretax account reduces your taxable income by $1
- Store receipts in the Receipt Vault in the TASC mobile app for easy access!

IMPORTANT

- Plan funds may **only** be used by the participating employee – expenses incurred by family members **are not eligible.**
- **Your contributions are subject to IRS limits.** For the Parking Account, IRS limits are **monthly limits.** This means your total eligible expenses incurred in a given month cannot exceed the monthly limit set by the IRS. Learn more at www.tasconline.com/benefits-limits.
- It is **your responsibility** to maintain receipts that meet IRS substantiation requirements for all Parking Account claims.
- **Plan wisely** – you have until December 31, 2027 to **incur** expenses against your Parking Account funds, and until January 31, 2028 to **submit claims for** eligible expenses incurred through December 31.