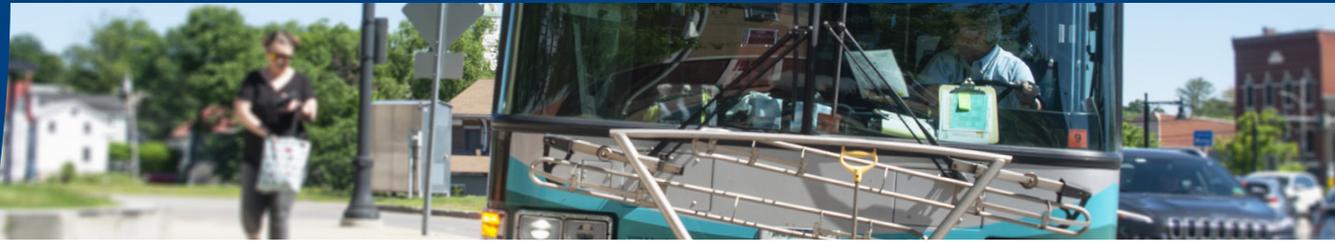




COAST COMMUTER BENEFIT PROGRAM

Help your employees
save money on their
commuting costs!

START A COMMUTER BENEFIT PROGRAM



Make your business stand out with our unique pre-tax commuter benefit program for your employees!

DID YOU KNOW?

The IRS established a program that enables commuters to pay for work-related transit with pre-tax dollars.

Now, your business can partner with COAST to offer this benefit to your employees, cutting down on your payroll taxes, and offering your staff a more green and more affordable way to get to work!

DESIGNED SPECIFICALLY FOR YOU

The COAST Commuter Benefit Program is designed specifically for local businesses in COAST's service area. Operating within the IRS's program guidelines, you have the freedom and flexibility to develop an internal process that works best for your business. COAST is here to help you figure out the best solution for your employees' needs.

BENEFITS OF PRE-TAX PAYROLL DEDUCTION

With minimal set-up, payroll deductions save administrative time and payroll taxes for both your employees and your business. The IRS allows an employee to set aside up to \$280/month for qualified transportation costs, and employers can realize up to a 7.65% savings on payroll taxes. A win-win for everyone!

By encouraging your employees to participate in this program,, your business can reduce commuting costs, on-site parking issues/costs, save money on payroll taxes, and take pride in offering a unique and helpful benefit to your staff!

YOUR BUSINESS CAN BENEFIT BY:

Alleviating on-site
PARKING
congestion & cost

SAVE MONEY
On payroll taxes

Offer your staff a helpful and
UNIQUE BENEFIT

NO FEES
ORDER
MINIMUMS
BUSINESS TOO
BIG OR SMALL

As of January 1, 2023:
maximum pre-tax amounts

\$280 MONTHLY
PER EMPLOYEE
for transit and/or parking
(\$3,360 per year)

- Convenient ordering cycles
- Simple billing
- Discounted passes
- Dedicated program support



COAST COMMUTER BENEFIT PROGRAM

GET ON BOARD!

Provide our Pre-Tax Commuter Benefits Program to your Employees

Where does COAST go? How will my employees use the bus? Where is the stop closest to my business?

There's no question that taking the bus can save commuters money on gas, tolls, parking, and wear and tear on their vehicles, all while reducing their carbon footprint. We know the benefits of taking public transit, but is it convenient? Take the next step and find out! With over 400 bus stops in Southern NH, Berwick, and Kittery, there's a good chance that there is a bus stop near your business. Visit our website or download the PassioGO! app to see where the closest bus stop is to you.

IS COAST THE RIGHT FIT FOR YOUR BUSINESS?



MAP IT!



COAST Schedules

Check out COAST Schedules at www.coastbus.org



Scan to see COAST's bus schedules for each Route and find the stop closest to your business!



Making Connections: Transfer Points

HANOVER STATION, PORTSMOUTH



DOVER TRANSPORTATION CENTER



DOVER NHDOT PARK & RIDE (EXIT 9)



ROCHESTER CITY HALL



PassioGO! App

Use the PassioGO! App for real-time information and COAST routes. See where COAST buses travel and the closest stop to your business!



COAST

coastbus.org

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COAST COMMUTER BENEFIT PROGRAM

Easy to implement, simple to explain,
convenient, cost saving, simple billing,
and dedicated support.

PROGRAM SETUP

This tax benefit program is very flexible for employers. There are **three options** for how employers can set up this program. Determining the right option for your business depends on the level of commuter subsidy, or additional dollar amount provided toward employee commuting costs, that you want to offer. Options include:

- 1 Employees pay 100% of their commute expenses with pre-tax funds.** Employer pays no commute-related benefits. This is the option for an employer that is not interested in offsetting transit costs in any amount. In this scenario, a COAST monthly pass would cost the employee \$52 per month in pre-tax dollars, thus a tax-free fringe benefit. The employer will realize federal payroll tax savings for that employee.
- 2 Employer pays all commute-related benefits.** Employees receive their monthly pass as a fully paid benefit. In this scenario, the employer can purchase discounted COAST monthly passes at \$44 each per month and then provide that benefit to their employees.
- 3 Employer and employees share the cost of commute-related benefits.** In this scenario, the employee gets a tax-free fringe benefit from their employer, and what they do pay in pre-tax deductions for their pass is paid for with tax-free dollars. The employer will realize federal payroll tax savings for that employee. The employer chooses a contribution rate (up to 7.5%, or \$4), which COAST will match up to \$4, for a total combined discount to the employee of 15% (\$8). The employee deducts the balance in pre-tax dollars (\$44).

SETUP TIPS

There are some specifics you should confirm before launching a pre-tax commute program, including:

Target the right level of benefit. Depending on which option the employer chooses during set up, make a plan to clearly communicate the associated costs for your employees.

	Monthly Cost for Employee	Monthly Cost for Employer
Option 1: Employee pays 100%	\$52	\$0
Option 2: Employer pays 100%	\$0	\$44
Option 3: Shared cost-customizable	\$44-\$52	\$1-\$4

Make sure your recordkeeping system is in order. While this is a simple program to implement compared to most benefit programs, the IRS still requires strict recordkeeping.

Track the number of participants. It will be helpful to understand how your employees are taking advantage of this benefit.

CALCULATING THE BENEFITS

How much can the benefit save your employee annually? These tax savings really add up for an individual employee!

Step 1: First, we figure out how much an individual pays in taxes.

Step 2: Then, we use the Total Tax percentage to calculate that individual's annual tax savings.

EXAMPLE: Consider a typical employee who pays 22% federal tax and purchases a \$52 monthly pass 12 months of the year (\$624 total cost).

\$ 185 YEARLY SAVINGS

An employee in the 22% tax bracket could save up to \$185 per year on transit costs (along with saving on fuel, car and mental wear & tear from driving) at no cost to you!

**Discover how to start your own
Commuter Benefit Program!**

To sign your business up for this program, visit
coastbus.org/commuter





COAST COMMUTER BENEFIT PROGRAM

GET ON BOARD

Provide our Pre-Tax Commuter Benefits Program to your Employees

IMPLEMENTATION RECOMMENDATION

Internal processes will be different for each business, but COAST has identified a few best practices for the implementation of the transit pass program that can be applied to almost every business. Consider the following steps:

- 1 Obtain management and administrative approval to offer this Program to employees.
- 2 Identify an internal Transit Pass Coordinator within your organization to submit monthly transit pass orders to COAST via an order spreadsheet. Transit Pass Coordinator(s) will be responsible for processing internal orders: submitting orders to COAST by email; addressing concerns and replacement requests; communicating with your payroll on employees eligible for transit passes, etc.
- 3 Work with your tax specialist to define appropriate recordkeeping measures. There is no written plan necessary for the IRS, nor do you have to get permission from the IRS to implement this program, but it is strongly recommended you keep records of the following:
 - List of participating employees
 - Enrollment/registration forms
 - Authorization forms for commute benefit payroll deductions
- 4 Decide how much, if any, you are going to subsidize your employees' commute expenses.
- 5 Plan how you will distribute the benefit. Standard logistics considerations include:
 - Will you automatically withdraw the employee's specified amount, pre-tax, from each employee's paycheck; or
 - Will you fully purchase and then distribute the qualifying products (transit passes) to your employees?
 - Will you provide direct desk or home delivery of the Monthly Passes; or
 - Will you establish a central point of contact from whom the participants can pick up their passes each month?
- 6 Update your company policies and personnel manuals, etc. to reflect the new benefit.
- 7 Create an internal process for employees to place pass orders. One recommendation would be for employees to complete the initial order form and submit it via intranet you the designated Transit Pass Coordinator(s).
- 8 Encourage employees to consult with a tax specialist about the impacts of pre-tax deductions on their withholdings and overall tax situation.
- 9 Implement your program and monitor its progress! Promote new commuter benefits to employees via mass email or transit pass launch event.



ORDER PROCESS

COAST can process bulk orders for employee monthly passes on a calendar-month basis prior to the beginning of the month. Taking that administration into account, the recommended timeline below will ensure that your business achieves a seamless order process.

At least one month out: Promote the transit pass benefit to all current employees, with upcoming timeline and order process. Remember to include an overview of the benefit in your onboarding for new employees as well.

End of second week of the preceding month:

Employees new to the program complete order form for the upcoming month and submit to Transit Pass Coordinator. For those who may be discontinuing participation, they must also complete and submit their form to the Transit Pass Coordinator.

By mid-month: Transit Pass Coordinator submits order form to COAST via email.

By end of third week of the preceding month: COAST processes all orders, mails passes via standard USPS to Transit Pass Coordinator, and submits an invoice to the business. Payment is due within 15 days.

First day of new month: With passes in their possession, employees can begin their unlimited use of the COAST system for the month.

End of second week of the month: Employees complete order form with any changes (new activations or deactivations), submit to Transit Pass Coordinator, and the process runs its monthly course again.

To sign your business up for this program, visit
coastbus.org/commuter

COAST



COAST COMMUTER BENEFIT PROGRAM

SAMPLE TEMPLATE COAST Monthly Transit Pass Payroll Deduction Authorization Form

I hereby authorize _____(business name)
to deduct \$_____from my paycheck each pay period on a pre-tax basis to be used for the
purchase of a COAST Monthly Transit Pass.

I understand that once the deduction is started it will be re-occurring until I send this form via email to
_____(Transit Pass Coordinator)
and select the statement below to stop the deduction.

I understand that pre-tax deductions will be made each pay period and the deductions will be used to pay for
COAST Monthly Transit Pass benefits. I understand that, by the 11th of the month, I must either enroll in or cancel
my benefit. COAST Monthly Passes are not eligible for any refunds once issued.

I will be using the benefit for my regular daily commute from home to work and the return. I will not give, barter,
exchange, convey or otherwise transfer this benefit to any other person.

I understand that if I leave _____(business name),
voluntarily or involuntary, before the end of a month in which a payroll deduction has been made for the pass,
I will not be asked to return the pass and I will not be refunded any monies.

*Please return completed form to_____

_____ Deduct (pre-tax) for a COAST Monthly Transit Pass

_____ Cancel the pre-tax deductions for a COAST Monthly Transit Pass

(any cancellation received after the 11th of the month, will not be canceled until the following month)

Sign:_____Date:_____

Printed Name:_____

