



**Department of
Education**

Carmen Fariña, Chancellor



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PAYROLL ADMINISTRATION MEMORANDUM

2014-2015

NO. 08

DATE: January 28, 2015

TO: CFN Executive Directors (Via Email)
Principals (Via Principals' Weekly)
Payroll Secretaries/Timekeepers (Via Email)

FROM: Francine Perkins-Colón

SUBJECT: Retroactive Commuter Benefit Change

Based on the Tax Increase Prevention Act (TIPA), the U.S. Congress retroactively increased the amount of the transportation benefit that can be excluded from earnings. The amount was increased from \$130 to \$250 retroactive to January 2014. Based on the Internal Revenue Service guidelines issued January 9, 2015 OPA will create W2Cs for any WageWorks Commuter Benefit participant who had a post-tax commuter benefit deduction on a 2014 pay statement.

For those participants, their Federal, State, Local, Social Security, and Medicare wages are overstated by the amount contributed in excess of the \$130 per month up to and including \$250 per month. These are the participants who will receive the W2Cs in the mail directly from OPA.

Please note the following:

- The W2Cs will be generated automatically by OPA.
- Only participants with deductions for the Transit Pass Post Tax, Access-A-Ride Post Tax and Commuter Card-Unrestricted Post Tax will be affected.
- Affected employees who file their income tax returns before the W2C is received may need to file an amended return.

If you have any questions, please call Payroll Benefits Unit at (718) 935-3545.

FPC/mw

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