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What You Should Know About the TransitBenefit Program

What is the TransitBenefit Program?

Pursuant to the Mayor's Executive Order, Collective Bargaining Agreements and the provisions of IRC Section 132, the City is offering employees an opportunity to use pre-tax earnings to cover public transportation costs.

What is the Premium TransitChek MetroCard?

The Premium TransitChek Metro Card (Premium Card) is a special annual unlimited ride MetroCard offered to eligible employees of the City of New York through TransitCenter. When you enroll in the Transit Benefit Program, you receive a Premium Card that can be used for a continuous twelve-month period for unlimited rides on subways and local buses.

What are the benefits of the Premium Card?

You can save over \$250 a year in taxes (based upon an annual salary of \$36,000).
 You get unlimited rides on subways and local buses, 24 hours a day, every day of the year.

How do I save on my taxes if I enroll in the Transit Benefit Program?

A new tax law, IRC Section 132, allows you to purchase your Premium Card with pre-tax dollars through payroll deductions. As a result, you do not pay Federal, State, City, Social Security, and Medicare taxes on payments for the card.

If you are already buying a 30-Day Unlimited Ride MetroCard for \$63, here's an example of the tax savings that will accrue to you with the new Premium Card.

Annual Cost of a 30-day Unlimited Ride MetroCard
\$63 X 12 months = \$756
Tax Savings in 35% Tax bracket - \$265
Net Cost \$491

How much does it cost?

The cost of the Premium Card is \$63 a month. You will be making equal payments of \$29.08 from your pre-tax earnings each biweekly payday or \$31.50 if you are paid semi-monthly. After your first two deductions, you will receive your Premium Card.

Are there any service fees for this program?

Yes, there is a service fee of \$.60 or \$.65, depending on your payroll cycle each pay period that the City will pay to the TransitCenter on your behalf. The value of this fringe benefit, up to \$15.60 for a full year, will be added to wages reported on your W-2.

How is my W-2 affected?

Your taxable wages in Box 1, Social Security and Medicare wages in Boxes 3 and 5, and state and local wages in Boxes 17 and 20 will be reduced by the deductions from your pay for the TransitBenefit Program. The amount of the service fee paid to TransitCenter on your behalf by the City will be shown in Box 12 as a fringe benefit and added to taxable earnings in Boxes 1, 3, 5, 17 and 20.

How does the program work?

After you enroll in the TransitBenefit Program, \$29.08 or \$31.50 will be deducted from your pre-tax wages every pay period. Premium Cards always become active on the first day of a month and inactive on the last day of the month one year later. You will receive your new annual Premium Card approximately one

week before your first month of usage commences.

Your Premium Card will remain valid as long as you continue to have deductions taken from your pay. After twelve months, you will receive a new Premium Card from TransitCenter. Your Premium Card is your own personal MetroCard, assigned to you for your own use. You must treat it as you would cash.

If I enroll, how will I receive my Premium Card?

Your Premium Card will be mailed to you at the address you indicate on your enrollment form. Make sure you provide a complete and accurate address so you receive your Premium Card in time for your first month's use.

Where is the Premium Card accepted?

MTA New York City Transit Subway and Local Buses

MTA Staten Island Railway

New York City Private Local Buses

Command Bus Company

Green Bus Line


Jamaica Buses

Queens Surface Corp.

Triboro Coach Corp.

What happens if my Premium Card is not received, damaged, lost or stolen?

The City will replace undelivered, damaged, and lost or stolen Premium Cards with receipt of a Certification form completed and signed by you, and the damaged card, if applicable. You can obtain a Certification form from the DOE's TransBenefit Coordinator at (718) 935-3545, receive it by fax from OPA's Service Line, (212) 669-8555, or download it from OPA's web site, nyclink.org/payroll.

You can deliver, or mail the completed  [Certification form](#) to OPA, TransitBenefit Unit, One Centre Street Room 200N, New York, NY 10007. Remember, a damaged Premium Card must be returned to OPA with a completed Certification before a replacement card can be provided to you. Replacement Premium Cards may be picked up at OPA or mailed to your designated address. Premium Cards will be replaced as follows:

- Undelivered Premium Cards will be replaced with receipt of a Certification form, no earlier than the last business day of the month before the month of intended use. The replacement Premium Cards will be active the first day of the month of intended usage.
- A damaged Premium Card will be replaced upon receipt of a Certification form and the damaged card. The replacement Premium Card will be active.
- A lost or stolen Premium Card will be replaced with receipt of a Certification form. The replacement Premium Card will be active as of the first day of the month following the month during which the lost or stolen Premium Card.

As soon as a Certification form is received, the undelivered, damaged, lost or stolen Premium Card will be deactivated. Once a Premium Card is deactivated, it will never be reactivated.

What happens if I skip a payroll deduction?

If your payroll deductions are interrupted for any reason, your Premium Card will be deactivated as of the first day of the month following the month during which the deduction was not taken. Your old Premium Card will not be reactivated even if you resume deductions.

If you resume participation in the TransitBenefit program, sufficient deductions must be taken from your pay before you will receive a new Premium Card from TransitCenter. Depending on your balance prior to discontinued deductions, one or two deductions will be required. After the threshold is met, you will receive your new Premium Card for use on the first day of the second month following the month during which the threshold is met.

Example: If you resume participation and meet the threshold with deductions taken in November, your

new Premium card will be mailed in December for use on the first day of January.

Can I get a refund when I go on vacation or don't use my Premium Card?

You will not receive a refund for deductions taken from your pay for a Premium Card if you do not use your Premium Card.


If you cancel participation in anticipation of a vacation or for any reason and re-enroll, you will not receive a new Premium Card until sufficient deductions have been taken and a sufficient balance is attained. After the threshold is met, you will receive your new Premium Card for use on the first day of the second month following the month during which the threshold is met.

Example: If you re-enroll in March and have two deductions taken in April, your new Premium card will be mailed in May for use on the first day of June.

If I cancel my participation in the TransitBenefit Program, will I get refund?

Upon cancellation, if the amount of the total deductions from your pay for the TransitBenefit Program exceeds the amount paid to the Transit Center for your Premium Card, you would be entitled to a refund for the remaining balance. Refunds must be requested by writing to the TransitBenefit Unit, OPA, One Centre Street, Room 200N, New York, New York 10007. The letter must include your name and social security number. Refunds are issued with your pay.

How do I enroll in the Transit Benefit Program?

Complete and submit the attached  [Enrollment form](#) by March 15, 2001 to the DOE Transit Benefit coordinator at: Department of Education 65 Court Street - Room 1003 Brooklyn, New York 11201 Attn: TransitBenefit Unit

When will I receive my Premium Card?

During this initial enrollment period, deductions are scheduled to begin in May and you will receive the Premium Card for use on June 1, 2001.

Will my enrollment carry over to a new agency?

No, if you transfer to another City agency, your participation will be suspended in your old agency and you need to enroll in your new agency. Your Premium Card will be deactivated the first day of the month following the month you left your old agency. After you enroll in your new agency, you will receive your new Premium Card for use on the first day of the month following the month during which deductions were taken.

If you have a balance from your deductions in your old agency, you may request a refund by writing to the TransitBenefit Unit, OPA, One Centre Street, Room 200N, New York, New York 10007. Requests must include your name and social security number. Refunds are issued with your pay.

Who should I contact regarding my TransitBenefit Premium Card?**[Contact the Office of Payroll Administration \(OPA\)](#)**

If your TransitBenefit Premium Card is not received, damaged, or lost or stolen.

For refunds.

(OPA) Office of Payroll Administration
TransitBenefit Unit One Centre Street, Room 200N,
New York, New York 10007
Telephone: (212) 669-8555

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