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# Client Talking Points 2006

for Consultants and Brokers

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## Do your clients currently offer their employees a commuter benefit plan? Or, are they satisfied with their current transit and/or parking reimbursement solution?

- Are your clients maximizing their FICA tax savings with a commuter benefit plan?
- Are your clients looking for an easy Web-based solution for their employees to order their transit and/or parking vouchers/smart cards?
- Do your clients want to help their employees reduce their work-related commuting expenses?
- Why not introduce a new “cost neutral” employee commuter benefit plan or consider upgrading your clients’ current program?

### Case Studies

An employee determines that he spends \$3,500 annually on eligible work-related commuting (transit and parking) expenses. Unfortunately, his employer does not offer a commuter benefit (Section 132) plan. The employee determines that he would save more than \$1,000\* annually on eligible work-related commuting expenses if he were able to use pre-tax dollars from a commuter benefit plan to pay for such expenses.

Similarly, while some employers do offer a commuter benefit plan, participation rates are often low since the process of purchasing and acquiring transit and/or parking passes/vouchers is inconvenient. Some employers provide a commuter benefit, but fail to capitalize on the tax savings available from the parking benefit.

### Issues

- Employees don’t want to stand in line to purchase their transit vouchers.
- Employees can save time and money with an online tool to procure transportation and parking vouchers, passes and/or smart cards.
- Employers are exploring possible solutions to ease this burden and regain their employees’ focus. However, many solutions come with an elevated price tag and employee inconveniences.

### Solution

#### The CONEXIS Commuter Benefit Plan

- Offers employers and their employees an easy, intuitive Web-based solution encouraging high participation rates and a welcome alternative for participants who currently wait in lines each month to purchase monthly passes.
- Allows employers to reduce their financial exposure by not distributing cash vouchers.
- Offers transit and parking in one bundled, cost-effective solution.

Why not recommend a commuter benefit solution that returns a positive investment in money, time and effort to the employer? In addition to an employee saving up to **40%** on their daily commute and parking expenses, the employer will save approximately **7.65%** in matching FICA payroll taxes.

Contact CONEXIS for compliant, comprehensive and cost-effective benefits administration solutions you and your clients can rely on. For additional information or a proposal, a CONEXIS representative is available toll-free at 877-CONEXIS (266-3947) or via e-mail at [CXsales@conexis.com](mailto:CXsales@conexis.com).

\*Example assumes a 30% income tax bracket