

Transportation management accounts

A benefit that saves you money

Did you know there's a way to pay for mass transit commuting expenses and save money at the same time? By enrolling in a transportation management account (TMA) plan offered by your employer, you can set aside pretax dollars to pay for transportation expenses not covered by your other employee benefit plans. That means more money for you and your family!

Qualified TMA expenses

TMA's are based on a federal law and tax code provision (IRC 132) that allows you to deposit pretax dollars in an account administered by UMR to pay for mass transit commuting expenses.

- Mass transit expenses include tokens, fare cards, vouchers and van pooling services. Van pooling consists of vehicles, which must be used 80 percent of the time for transportation to and from work.

During enrollment, you decide the amount you wish to contribute up to the maximums set by the Internal Revenue Service (IRS). Your election may be modified quarterly based on your personal TMA.



HOW A TMA WORKS

Here's an example of how you can reduce your taxes and increase your take-home pay by enrolling in your employer's transportation management account:

Deposits Made Over a 12-month Period (Reduction in taxable income)	\$1,000
Federal Income Tax Savings*	\$200
FICA Tax Savings**	\$77
Yearly Tax Savings, Increase in Take-Home Pay	\$277

* Assumes federal income tax rate of 20%

** Includes Social Security tax rate of 6.2% and Medicare tax rate of 1.45%

The UMR TMA program is a benefit so valuable, you can't afford to pass it up!

– more –

Reimbursement requests and payments

For mass transit, you are reimbursed as you incur eligible expenses up to the available amount in your account.

The amounts must not exceed the monthly maximum allowed by the IRS. In other words, the transportation benefit has to be pre-funded in order to receive reimbursement and employees must actually incur the monthly transportation expenses before reimbursement can be made.

You can also use your debit card at eligible transportation merchants to pay for eligible expenses.

Reimbursement is obtained by submitting a Transportation Claim form. The form is available on the UMR website at umr.com.

Convenient carry-over provision

Any unused TMA funds can be rolled over into later months. But unlike flexible spending accounts (FSAs), unused funds from previous months can be rolled over even if they cross over into the next plan year. The plan, however, does not refund unspent months. That means that you forfeit remaining funds at the end of your employment (after the claim run out period).

Good News!

You can now use your UMR debit card to pay your employee transportation expenses.

UMR advantages

TMA plan participants can submit claim forms and substantiation (receipts etc.) to UMR through a variety of methods including:

- Faxes
- U.S. mail
- Secure e-mails with attachments

UMR also provides 24-hour access to balances, claim status information and additional help through the UMR website (umr.com) and our interactive voice response (IVR) system. Live customer service support is also available Monday through Friday, between 8 a.m. and 7 p.m. (in all time zones in the continental United States) by calling 1-800-826-9781.

How to enroll

You can enroll in a TMA by submitting an election form to your employer. On the form, you will list the amount of money you want to contribute to your mass transit account and your paycheck is adjusted accordingly. Your deduction is taken in full from the second paycheck each month. That deduction is then used to reimburse you for your transportation expenses.

Since the deduction is taken before taxes, your taxable income is reduced, meaning you pay less in federal income and Social Security taxes.



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