

# Transit One<sup>®</sup>

*The New Choice ... From Aflac*



Choose the easy way  
to save tax dollars on  
the transit and parking  
expenses you incur  
going to and from work.

# Transit One<sup>®</sup>

The New Choice ... From Aflac

**It's New!! It's Exciting!!**  
**It's the Transportation Equity Act!!**  
**Now saving tax money is easier than ever.**

## Your Tax Savings ...

It's not that your transit costs will be reduced, but it's how you pay for these expenses that can make the difference. Without a Transit One plan, you pay taxes on every dollar you earn ... then you pay for your transportation expenses. With a Transit One plan, your transit benefit costs are deducted first ... and then you pay taxes on the remainder. This means you don't pay taxes on the money you spend for your qualified transportation expenses! This is how Transit One works for you:

### Savings Example Per \$1,000 in salary

Without Section 132		With Section 132	
\$1,000	Gross Income	\$1,000	Gross Income
- 250	Taxes	-150	Parking Expenses
<u>750</u>	Paycheck	<u>-100</u>	Transit Expenses
- 150	Parking Expenses	750	Adj.Gross Income
- 100	Transit Passes	<u>-188</u>	Taxes
<u>\$ 500</u>	Net Spendable	\$ 562	Net Spendable

## A \$62 Increase in Your Paycheck Through These Tax Savings

This example is for illustration purposes only and assumes a combined tax rate of 25 percent (FICA, federal, and state).

Your own personal tax situation may differ. Actual allowable expense election maximums may vary according to IRS regulations. The expense amounts shown do not necessarily correlate with the current permitted maximums under federal law.

## Your Benefits ...

The potential tax savings you gain from paying for transit expenses may give you the choice between adding to your benefits package or receiving a higher paycheck.

Use the money in your Transit One account for expenses such as:

- Parking expenses you incur at or near your place of work.
- Transit expenses you incur for transportation on a bus, subway, train, or ferry while you commute to work.

The benefits are limited to the amount of funds actually available in each benefit account at the time of claim processing. Under the Transit One plan, you may elect up to the federally allowable monthly maximum for parking and transit.

Without a Transit One account, you pay taxes on every dollar you earn—then you pay for your transit expenses. With a Transit One account, you can set aside a portion of each paycheck to pay for transit expenses. This amount is deducted from your paycheck before taxes are calculated, so the taxes you owe should decrease. In other words, you won't pay taxes on the money you spend on qualified parking and transit expenses!

Transit One plan elections are irrevocable for a defined time period and may reduce Social Security compensation. Any unused funds for active participants in either the parking or transit benefit accounts will be automatically rolled over into the next consecutive plan year. Prior to participation, carefully review your summary plan description and salary redirection agreement for additional terms and conditions.

## Your Choice!

Aflac's Transit One program gives you:

- Potential tax savings.
- Expanded benefits coverage.

**It's your money.**

**Call 1-800-323-5391, Option 4.**

