

Introducing Transit and Parking Flex

A new feature for our prepaid card



Due to the pandemic many employees are not using public transit and they have accumulated high balances on their pre-tax commuter transit accounts. According to the IRS, pre-tax dollars cannot be refunded. However, new guidance from the IRS states that accumulated pre-tax transit funds can now be used for parking, and parking funds can now be used for transit.

To accommodate these new guidelines, Edenred Benefits has developed the **Transit and Parking Flex Feature**, which allows our prepaid card to be used interchangeably for both transit and parking orders.

Quick Facts

- Employers can decide whether to turn this feature on or not, it's entirely up to you.
- Once enabled, all of your employees using our prepaid card will have access to this feature.
- Employees can spend up to \$270 of unused funds carried over from any prior benefit month, and apply those funds to either transit or parking expenses using their prepaid card.



Check out our blog for the full article on the Transit and Parking Flex feature:
[New options free up money for commuters](#)

Frequently asked questions

Q. What is the Transit and Parking Flex feature?

A. Transit and Parking Flex is a new feature enabled on our prepaid card, which gives employees the ability to share funds between transit and parking purses.

Q. Why was the Transit and Parking Flex feature created?

A. Edenred Benefits added this feature for our customers who have employees enrolled in transit benefits but are not using them. Unused benefit funds roll over each month and in accordance with IRS rules, cannot be refunded. Now employees who have been driving to work have the opportunity to use these unused transit funds for parking.

Q. How is IRS compliance being maintained?

A. According to the IRS, only unused funds from previous months can be shared between transit and parking purses. Edenred will ensure that funds from the current month won't be shared, and that the \$270 limit cross-purse limit will be respected.

Q. What do enrolled employees need to do in order to use the Transit and Parking Flex feature and begin sharing using unused funds between transit and parking purses?

A. Once the employer decides to turn this feature on, all employees with our prepaid card will have access to Transit and Parking Flex. Employees who are not currently using the prepaid card can change their order to take advantage of this feature.

Q. Can transit funds be used for parking reimbursement, direct pay, or parking prepaid cards?

A. Today the Transit and Parking Flex feature is only available by using our prepaid card product.

Q. Will there be any changes to the fee structure?

A. No. There are no anticipated changes to current fee structures for those who are using the prepaid card.

Q. Will there be changes to the ordering platform?

A. Yes. Updates on the ordering platform will allow the transfer of funds from one purse to another for participants who are using a product other than the prepaid card.

Q. Do employees need to enroll in parking benefits to use surplus pre-tax transit funds toward qualified parking expenses?

A. No. The only requirement is that parking expenses are paid with the prepaid card.

Q. Will this new feature remain even after the impact of COVID-19 has passed?

A. The Transit and Parking Flex feature will remain a feature of the prepaid card as long as it remains compliant with IRS rules, or until a company administrator disables it.

Stay tuned for more information on how you can implement this feature for your employees!