

North Bethesda Transportation Center
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November | December 2008 | www.nbtc.org

North Bethesda
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Center

Helping you get from here to there and everywhere in North Bethesda

NEWS
for North Bethesda Commuters

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NEW YEAR'S TAX NOTE

Tax-Free Commute Benefits Limit Goes Up January 1st

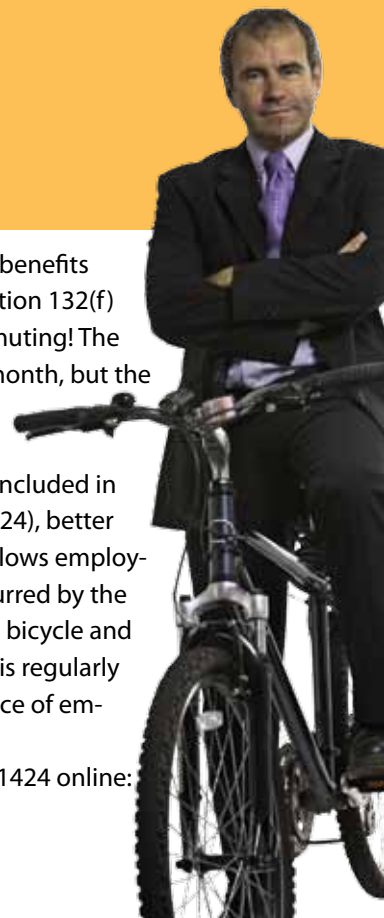
Employers providing employees with transit and vanpool subsidies can choose to be a hair more generous for 2009. The IRS announced that, for taxable years beginning in 2009, employers can provide up to \$120/month (compared with 2008's \$115) in tax-free fringe benefits. Similarly, the monthly tax-free limit on parking benefits inches up to \$230 (from 2008's \$220). The official IRS notice is online at <http://www.irs.gov/pub/irs-drop/rp-08-66.pdf>.

Congress Approves Bicycle Commuter Benefit

For the first time since allowing for tax-free commute benefits nearly two decades ago, Congress has expanded section 132(f) of the internal revenue code to include bicycle commuting! The amount of money allowed for bikes is a modest \$20 per month, but the expansion is nonetheless significant. The change takes effect January 1, 2009.

The internal revenue code was amended via language included in the Emergency Economic Stabilization Act of 2008 (HR 1424), better known as the bailout bill, which passed in November. It allows employers to reimburse employees "for reasonable expenses incurred by the employee during such calendar year for the purchase of a bicycle and bicycle improvements, repair, and storage, if such bicycle is regularly used for travel between the employee's residence and place of employment."

Full legislative text can be found in Section 211 of H.R. 1424 online: www.nbtc.org/bicyclecommuterbenefit.pdf.





SmartBenefits® Vouchers Replace Metrocheks

North Bethesda employers providing transit benefits to their employees, whether through Super Fare Share or directly through Metro, can no longer order Metrocheks. Metro discontinued Metrocheks as of November 15th. While this isn't a big issue for most people in the region who get their employer-provided commute benefits electronically via a SmarTrip® card, a few systems don't yet accept SmarTrip®. These include: MARC Rail, MTA commuter buses (Eyre, Dillon's and Keller), and Virginia Railway Express (VRE). As a result, Metro is now providing SmartBenefits® vouchers for employers to give employees who use MARC, MTA, and VRE.

Employers can order SmartBenefits® vouchers, or exchange any unused Metrocheks for the vouchers, which employers can then give to their employees who commute on transit systems that don't accept SmarTrip®. The last day for Metrochek exchanges at Metro sales offices is March 31, 2009. (Although Metro has stopped selling Metrocheks, they can still be added onto SmarTrip® cards, so employers don't need to discard their unused Metrocheks.)

The SmartBenefits® vouchers cannot be loaded onto a SmarTrip® card and they are not redeemable for cash. SmartBenefits® vouchers will be available in \$1, \$10 and \$30 denominations. Questions? Call NBTC at 301-770-8108.

Metro Eliminating Paper Transfers January 4th

Fewer trees will fall thanks to Metro's decision to phase out paper transfer slips. Starting Sunday, January 4, 2009, riders will no longer be able to get paper transfers from bus drivers or from the dispensing machines inside Metrorail stations. Riders seeking transfers will instead need to use a SmarTrip® card (or a senior SmarTrip® card).



SmarTrip® Users Save

Metro will offer a break in the fare to help ease the transition. Bus riders who transfer to Metrorail using a SmarTrip® card will get a 50-cent break on their Metrorail fare, regardless of the time of day, as long as the transfer is completed within three hours. Riders going from rail-to-bus will pay only 75 cents for the bus ride. While this is an increase over the current rail-to-bus transfer, most riders will save 10 cents on a round trip commute and not have to fuss with paper transfers anymore. Bus-to-bus transfers will be free within a three-hour time period for riders with a SmarTrip® card.



Faster Boarding

The change is meant in part to treat all transfers—bus-to-rail and rail-to-bus—equally. It will also save Metro about \$350,000, fight fraud, and hopefully enable riders to board buses faster (thus helping to keep them on schedule). The Metro board is pushing to make the SmarTrip® card even more functional and convenient for riders who use the card on other bus systems around the region.

Metro won't be going totally paperless. It will continue to sell the weekly bus pass, 7-day short-trip pass and weekly rail pass.

Montgomery County Ride On has not yet finalized how it will handle transfers. A decision is likely early in the new year. Call NBTC at 301-770-8108 with questions.

What's 'Super Fare Share'?

It's Montgomery County's transit subsidy program that provides employers with up to \$270,000 over nine years for employee transit benefits. For the first of those nine years, employers pay just \$1 per employee per month using transit, while the County picks up the remaining \$114/month. You can support your employees' use of public transportation and save big by enrolling in Super Fare Share. Find out more via NBTC at 301-770-8108.