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COMMUTER BENEFITS grow increasingly popular.

Many more businesses are helping to cover employee costs of parking, transit passes and van-pooling, says Mary B. Hevener, a Washington lawyer at Baker & McKenzie. Ms. Hevener says the number of employers offering such plans has risen especially sharply since the IRS proposed new regulations early this year "clarifying and simplifying how employers can set up these plans by salary reduction."

These plans come in various forms. In some cases, employees can choose to reduce their salaries, up to certain amounts, to pay expenses on a pretax basis, says Martin Nissenbaum of Ernst & Young. In other cases, employers pay. Businesses owning parking facilities often let workers park free but must tax the benefit if its value exceeds certain limits. Qualified parking expenses of as much as \$180 a month may be excluded next year, up from \$175 this year, says James C. Young of Northern Illinois University.

There won't be any change next year in the \$65 tax-free monthly benefit for transit passes and van-pooling, he says.