



## Department Administrative Policy and Procedure

**Subject: Qualified Transportation Plan**

**Approved Date: 2/7/2024**

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### I. PURPOSE

The University of Wyoming (University) offers an employee benefit plan known as the Qualified Transportation Plan (Plan). When an employer has a Plan in place it allows an employee to set aside funds to be used for pre-tax reimbursement for certain qualified transportation and commuter parking expenses to travel to and from work. This policy also describes the basic features of the Plan, how the Plan operates and how employees can maximize the Plan's benefits.

### II. DEFINITIONS

**Eligible employees:** All benefited University employees.

**Eligible expenses:** Certain approved transportation or parking expenses for travel to and from work. The IRS limits qualified parking expenses to parking at or near your work location or at a location from which you commute to work by carpool. The Plan allows a pretax benefit only for qualified parking paid to the University by an employee through payroll deduction. Any payment made other than payroll deduction may not be processed on a pre-tax basis.

**Pretax dollars / benefit:** Deductions made from an employee's pay before Federal, Social Security, and Medicare taxes are calculated. An employee's income subject to tax is reduced, and consequently, the taxable income reflected on an employee's annual W-2 statement is reduced. The pre-tax deduction will become effective for any paychecks received after the effective date.

### III. POLICY

The Plan established by the University allows eligible University employees to pay for qualified parking expenses with pre-tax dollars. This pre-tax benefit is available only through payroll deduction for qualified parking as defined by the IRS and established by the University for University owned, leased, or contracted parking facilities.

The Plan will be effective on February 1, 2024. After that date, the University will process all payroll deductions for eligible employee parking expenses on a pretax basis, as

permitted by Section 132(f) of the Internal Revenue Code, Qualified Transportation Fringe Benefits.

### **Enrollment And Effective Date of Participation**

Effective February 1, 2024, all current, eligible University employees, who have a parking deduction through payroll, will be automatically enrolled in the Plan. These employees may choose not to participate in the Plan by ending their payroll deduction arrangements. New employees, who choose to pay for parking through payroll deduction, will be automatically enrolled in the Plan. Participation will be effective immediately upon authorization of a payroll withholding for parking. Participation will continue from pay period to pay period until the employee elects to terminate participation, ceases to be an eligible employee, separates from University employment, or until the parking fee has been deducted in full.

New hires who choose not to participate in the Plan when hired, and who wish to purchase parking, will need to pay the entire parking fee directly to the University's Transportation Services by an approved payment method. Existing employees who choose not to participate in the plan, and who wish to purchase parking, will need to contact Transportation Services at (307) 766-9800 or [tps@uwyo.edu](mailto:tps@uwyo.edu) to establish another form of payment.

### **Change in Election**

An employee may cancel their payroll deduction at any time. If an employee decides to discontinue participation, the employee must contact Transportation Services, request they end the election of payroll deduction, and establish another form of payment. Once an employee has elected out of the Plan, resuming participation is only possible when purchasing a new permit.

## **IV. ROLES & RESPONSIBILITIES**

**Plan Administration:** The University is the administrator of the Plan and as such has total and complete discretionary authority to determine conclusively for all parties all questions arising in the administration of the Plan. The University reserves the right to amend or terminate the Plan at any time.

All inquiries concerning the Plan may be directed to:

University of Wyoming Tax Office  
(307)766-2821  
[tax@uwyo.edu](mailto:tax@uwyo.edu)

**Responsible Division/Unit:** Division of Budget & Finance

**Source:** None

**Links:** <http://www.uwyo.edu/regs-policies>

**Associated Regulations, Policies, and Forms:** Section 132(f) of the Internal Revenue Code, Qualified Transportation Fringe Benefits

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