State of Indiana

Commuter Benefit Program Plan Booklet





Last Revision: 08/07/2025

INTRODUCTION

The State of Indiana's Commuter Benefit Program is a qualified transportation benefit program authorized by Internal Revenue Code Section 132, which allows you to use pre-tax money to pay for your out-of-pocket van pooling or mass transit expenses incurred as you travel to and from work. Since these deductions are taken on a pre-tax basis, you save money because you avoid paying Federal, State and FICA (Social Security and Medicare) taxes on the money you set aside. Most people save as much as 25% on every dollar that is set aside in the Commuter Benefit Reimbursement Account.

Eligible expenses include mass transit, i.e., IndyGo buses or South Shore Train, and van pool expenses for which you are responsible as a part of your daily commute to work.

How does the Commuter Benefit Program (CBP) work?

When you elect the Commuter Benefit Reimbursement Account, you authorize your employer to deduct a pre-tax amount for van-pooling or transit from each paycheck, up to the IRS limits. You pay for the expenses with the ASIFlex debit card; or you pay for the qualified transportation & then file a claim with ASIFlex to reimburse yourself up to the amount deducted from your paycheck. Qualified expenses are exempt from Federal, State and FICA (Social Security and Medicare) taxes.

The Commuter Benefit Reimbursement Account is a pay period to pay period commitment, meaning that you can enroll, cancel or make changes in the program at any time by calling the Benefits Hotline at 317-232-1167 or toll free at 1-877-248-0007 (State Police employees and Conservation & Excise Officers should contact their Human Resources Department). Your elections roll over from year to year, and month to month, so if you enroll in December, and don't make any changes, your election will continue into January and beyond until you make a change.

Any changes in deduction amount(s) must be received by last day of the pay period to be effective on the next paycheck.

The State of Indiana has contracted with ASIFlex to perform certain administrative functions for the Plan. If you have questions that are not answered in this document, please call ASIFlex's Customer Service at **1-800-659-3035** or contact us at **asi@asiflex.com**.

ENROLLMENT

Enrollment Action Checklist

- **READ** your Commuter Benefit Program information in this booklet.
- **PLAN** your out-of-pocket transportation expenses.
- **ENROLL** in the Commuter Benefit Reimbursement Account in PeopleSoft at your time of hire, during the annual open enrollment period or by calling the Benefits Hotline at 317-232-1167 or toll free at 1-877-248-0007 (State Police employees and Conservation & Excise Officers should contact their Human Resources Department).

Important Reminders

- There is **NO** set enrollment time for this program; eligible employees can enroll or make changes in the program any time.
- You **MUST** enroll, cancel or make changes **by the last Friday of the pay period** for pay deductions on the next paycheck.
- Employees **SHOULD BE** proactive in planning expenses to ensure the greatest tax benefit possible.

Eligibility. All State of Indiana full-time employees are eligible to participate, and there is no "initial waiting period."

Employee Enrollment. There is no set enrollment time for this program; eligible employees can enroll anytime.

MAKING A CHANGE

Employees can make a change to deduction amounts at any time, including terminating enrollment in the Commuter Benefit Reimbursement Account. However, all changes are reflected on the first check issued after the pay period in which you request the change or termination.

ESTABLISHING AND USING YOUR VAN POOL OR MASS TRANSIT BENEFIT

Pre-Tax Van Pooling/Mass Transit* per month Maximum: $325.00.

**The IRS considers the Van Pooling and/or Mass Transit Expenses to be one category and you cannot exceed $325 per month for these expenses.*

The per month maximum amount is subject to change. Please check asiflex.com for current information on the monthly maximum.

Van Pooling. The IRS defines a Van Pool as being a commuter highway vehicle with a seating capacity of **at least seven (7) adults**, including the driver. To be eligible for a tax break through the Commuter Benefit Program, at least 80% of the vehicle's mileage must be for transporting employees between their homes and workplace, with employees occupying at least one-half of the vehicle's seats (not including the driver's seat). There are no restrictions on who is the owner of the vehicle for it to qualify.

Mass Transit. Eligible expenses include any publicly or privately operated bus, rail or ferry expenses you incur while commuting to and from work. If you use mass transit, please purchase the pass from the mass transit vendor. You can use the ASIFlex debit card to purchase the pass.

GENERAL QUESTIONS

Q. Can I elect any amount for the Commuter Benefit Reimbursement Account?
A. You may only elect an amount that does not exceed the current monthly IRS limit.

Q. If I change my election amount, when will the change be effective?
A. If you make a change by the last Friday of the pay period, your deductions will be changed on the next paycheck.

Q. What are the deadlines to enroll, change or cancel my benefit election?
A. All enrollments, changes or cancellations must be received by the last Friday of the pay period to affect the following payroll deduction.

Q. What are the deadlines to submit claims?
A. Claims can be submitted at any point in time as long as you are still actively contributing to the Commuter Benefit Reimbursement Account. Once you terminate your participation in the program, or terminate employment with the State, you must submit all claims **within six (6) months** of your termination date to be reimbursed.

For example, if you cancel your enrollment in the Commuter Benefit Reimbursement Account on June 10th, you must submit all claims to ASIFlex by January 10th for reimbursement.

Q. What happens to the funds if I do not timely submit claims before the deadlines stated above?
A. The funds are forfeited and retained by the State to be used for the administration of the program.

Q. I have canceled my enrollment in the Commuter Benefit Reimbursement Account, but still have some money left. I'm still employed by the State of Indiana. Can I submit claims for expenses incurred after my termination date in the program to access this money?
A. No. You can only request reimbursement for expenses you incur while you are still actively participating in the program.

Q. What do I need to submit to be reimbursed for my expenses?
A. You must submit receipts for the month or week and a signed reimbursement claim form to ASIFlex. Service dates are either the date that you paid for the expense, or period in which you are receiving the service. For example, if you purchase a transit pass on May 26th, to be used June 1st-15th, you can submit a claim for service period of May 26th; or service period of June 1st-15th. Please note that the period must have begun before reimbursement can be made.

Q. What happens if I receive a check for reimbursement and forget to cash it?
A. If you receive a check for reimbursement and forget to cash it, the check is valid for six months from the issuance date. If you have received a check and haven't cashed it within six months, ASIFlex will attempt to contact you via email or postal mail, and will offer to reissue the reimbursement to you. If ASIFlex cannot reach you, the amount of the uncashed check will be reported and remitted to your state of residence's unclaimed property division.

Q. What expenses qualify for reimbursement?
A. The only expenses that qualify for reimbursement are costs directly associated with mass transit (bus passes, ferry passes, etc.) and van pooling (monthly cost to participate in a qualified van pool). **The following expenses do not qualify:** gasoline purchases; oil purchases; machinery service costs; and repair/replacement costs.