

# Frequently Asked Questions about Qualified Transportation Accounts

## Qualified Transportation Accounts (QTAs)

QTA accounts allow employees to allocate pre-tax dollars to pay for eligible work-related transit and parking expenses, governed by IRC Section 132. Consumers can have both a parking account and a transit account, each account is separate, and funds cannot be transferred from one to the other. These pre-tax dollars will continue to rollover month to month, year to year, as long as you're still with your employer.

### 1. What are IRS Contribution Limits?

For 2020, you can set aside up to \$270 per month on transit expenses and up to \$270 per month on parking expenses. Under IRS regulations, total contributions (consumer and employer) for a transit or parking plan cannot exceed the pretax monthly contribution limit.

### 2. What expenses are eligible?

**Parking:** expenses for parking at or near your work location or at or near a location from which you commute using mass transit.

**Transit:** expenses include public transportation such as train, bus, monorail, streetcar, subway, ferry. This also includes services such as UberPool and Lyft Shared. Vanpool expenses are eligible, but the highway vehicle must seat at least six adults, excluding the driver.

### 3. How do I enroll in transit or parking benefits?

Depending on your employer, you can: 1) enroll online directly using the Consumer Portal during open enrollment, 2) enroll via your employer's benefits administration system or 3) enroll via paper or other method preferred by your employer. Employers using methods 2 or 3 will send your enrollment information to us to create your Qualified Transportation Account.

### 4. What do I do if the cost of my monthly pass changes? Can I update my election amount?

Election amounts can be updated month-to-month. Depending on your employer, you can: 1) update your election directly using the Consumer Portal or 2) update your election in your employer's benefit administration system or other preferred method.

### 5. When are my funds available?

Funds are available as they are contributed to your account each payroll cycle. If you are placing a Smart Commute order, then your ordered funds will be available on your transit authority smart card by the first of the month you selected.

### 6. How can I use my funds?

First American Bank makes it easy for your employees to pay for eligible transit and parking services with our Health Account Services prepaid debit card. Employees will also have access to manage their commuter benefits with the First American Bank Online Consumer Portal.

If available for your region, you can also place a Smart Commute order to load your transit authority smart card from the Consumer Portal. See the Smart Commute section for more information. When you use the prepaid debit card or Smart Commute, you don't need to submit receipts to substantiate your expenses.



For parking and vanpool expenses, you can pay out-of-pocket and request reimbursement for your expenses on the Consumer Portal or mobile app. Reimbursement can be issued via direct deposit to your bank account or check. Mass transit expenses are not eligible for reimbursement per the IRS, when an eligible method such as the benefit debit card or Smart Commute are available.

**7. Can my spouse or dependent use my Qualified Transportation Account?**

No, Transit and/or parking benefits are limited to employee expenses only: reimbursement is not allowed for spouse or dependent transit or parking expenses.

**8. What happens if I terminate employment?**

Your debit card will be deactivated, and you'll have a run-out period to submit mass transit or parking claims incurred while you were still actively employed. Your employer determines the length of the run-out period. For additional information on the run-out period, refer to your employer's Adoption Agreement. After the run-out period ends, any remaining funds in your account are forfeited back to your employer's plan.

**9. What happens if I choose to no longer participate in QTA but I'm not terminating employment?**

You can continue to submit mass transit and parking claims for a set amount of time determined by your employer's plan design, also known as the run-out period. Your debit card will no longer work for mass transit and parking expenses, however, and any pending Smart Commute orders will not be fulfilled.

**10. What if I have dollars remaining at the end of the year? What if I have dollars remaining from my employer's prior administrator?**

At the end of the plan year, funds will automatically roll over to the new plan year. Since QTA is a month-to-month benefit, you aren't required to re-enroll. If you have funds remaining from a previous administrator, then your employer will provide the necessary information and we can add the appropriate balances to your account for you to use.

## Smart Commute

The ability for consumers to use smart card or account-based technology provided by the transit authority to directly load their QTA funds for specific pass and fare media value.

**1. How do I start the order process for Smart Commute for my mass transit and/or parking plan?**

From the Consumer Portal, navigate to the "Place Commuter Order" button and click to display the Smart Commute order options.

**2. Do I need to have a smart card from the transit authority before I place a Smart Commute order?**

Yes, you must already have a smart card or transit account from smart card transit provider prior to placing your order through Smart Commute. Smart cards and accounts must be obtained directly from the smart card transit authority. Most can be purchased online or from local merchants.

**3. Can I make changes to my order once it's been submitted?**

You can make changes to existing orders for the upcoming benefit month until the order deadline (11:59 p.m. ET on the 10th). Changes to existing orders for the upcoming benefit month will not be accepted after the order deadline.

**4. How long do I have to make a Smart Commute order each month?**

Orders must be placed or updated prior to the 10th of each month for the upcoming benefit month. The benefit month is the month during which you plan to use their funds. The order deadline is the 10th at 11:59 p.m. ET regardless of whether the date falls on a weekend or a holiday.

**5. When are the funds available on my smart card or account for use?**

Funds are available by the 1<sup>st</sup> of the benefit month. If you completed your Smart Commute order by the order deadline, funds will be available the following month. However, if you completed your Smart Commute order after the order deadline, the funds will not be available the following month but instead they apply to the subsequent month.

**6. Can I place a direct load order for post-tax funds?**

No, orders through Smart Commute are for pre-tax funds only.

**7. What happens if I terminate my mass transit and/or parking benefit?**

If you terminate your benefit(s) after the order deadline (11<sup>th</sup>) for the month, the funds will be loaded onto your smart card or account. Your employer will work with you to obtain any remaining payroll deductions to fulfill this order.

Once you terminate your benefit(s), the "Place Commuter Order" button will continue to be visible in your consumer portal through the run-out period per your employer's plan design. However, orders will not be sent to the transit authority.

**8. Which transit authorities support Smart Commute?**

Smart Commute is offered in the metro areas of San Francisco, Chicago, and Washington D.C.

San Francisco – Clipper

Chicago – Ventra

Washington D.C. – SmarTrip®

**9. Can I use my debit card in these regions?**

In Chicago and San Francisco, yes. You can choose to use Smart Commute if you would like to auto load to your Clipper or Ventra account each month.

For Washington D.C., no. If you use WMATA Smart Commute is your option to utilize pre-tax funds. WMATA does not differentiate between parking and transit at the point of sale, thus those terminal locations are not part of our debit card network. WMATA is also unique for Smart Commute in that they are the only authority that offers parking.

**10. What if my smart card or account card doesn't work or is declined?**

Contact the transit authority or log into your transit authority account.

**11. How do I check my smart card balance?**

Contact the transit authority or log into your transit authority account.

**12. What do I do if I need to report my smart card as lost/stolen?**

You will need to report your card as lost or stolen to the transit authority through your online account or by calling the transit authority. The transit authority will assist in transferring any remaining balance on the lost/stolen card. **After the new card is received, you will need to update their card number in your online Smart Commute account.**

### **WMATA- SmarTrip® Card**

<http://smartrip.wmata.com/Account>

SmarTrip® is the commuter smart card used by the Washington Metro Area Transit Authority. SmarTrip® cards are also accepted at various regional transit providers.

The 9, 16 or 20-digit number on your SmarTrip® card is provided for loading funds through Smart Commute.

You can load both parking and transit funds each month up to the IRS pre-tax maximum amount for each. Transit fare funds can be used on a per-ride basis and transit pass funds are loaded to your SmarTrip® card to be used to purchase passes. Only one type of transit product can be selected for each benefit month.

If your SmarTrip card is lost, stolen or damaged, you can transfer funds to a new SmarTrip® card via your online SmarTrip® account or contact SmarTrip® customer service for assistance. Your new SmarTrip® card number must be added to your Smart Commute account.

### **Ventra - Chicago**

[www.ventrachicago.com](http://www.ventrachicago.com)

Ventra is the payment system used in the Chicago region for transit. Commuters in the region use Ventra to ride on CTA (Chicago Transit Authority), Pace and Metra. Ventra is an account-based system, which means that commuters can use their Ventra account to load funds on a Ventra card or use with mobile ticketing. If you are riding on Metra, you will be using mobile ticketing and will only use the Ventra app.

Your Transit ID is not located on the Ventra card, it can be found on your Ventra App or on your Ventra Online account.

Please note: pass offerings on the transit site are for Chicago Transit Authority (CTA) and Pace Only.

If your Ventra card is lost, stolen or damaged, you can replace your card online via your online Ventra account or by contacting Ventra customer service.

### **Clipper Card - San Francisco**

[www.clippercard.com](http://www.clippercard.com)

The Clipper Card is the commuter smart card used in the San Francisco Bay region. You can use the card as a payment method at 22 Bay Area transit operators. The 10-digit number in the bottom left of the card is the number provided for loading funds through Smart Commute.

Each of the 22 Bay Area transit operators may have special rules for how the Clipper card must be used. Please refer to the Clipper website for full information on the rules for each operator, as well as options for Adult, Senior, Youth and RTC (Regional Transit Connection) cards.

If your Clipper card is lost, stolen or damaged, you can replace your card online via your online Clipper account or by calling Clipper customer service. Your new Clipper card number must be added to your Smart Commute account.