



Commuter Benefits 2017 Tax Savings Calculator

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HOW TO CALCULATE EMPLOYEE SAVINGS

1. Locate your federal tax bracket (%) in **Table 1** based on your annual household income (25% is the most common*).
2. Locate your tax bracket column in **Table 2**, and follow it down to see a breakdown of your transit or parking savings.

Table 1 - 2017 Federal Tax Brackets

Household Income Range		
%	Married	Single
10%	Under - \$9,325	Under - \$18,650
15%	\$9,326 - \$37,950	\$18,651 - \$75,900
*25%	\$37,951 - \$91,900	\$75,901 - \$153,100
28%	\$91,900 - \$191,650	\$153,101 - \$233,350
33%	\$190,651 - \$416,700	\$233,351 - \$416,700
35%	\$416,701 - \$418,400	\$416,701 - \$470,700

Table 2 - 2017 Commuter Benefit Tax Savings

	10%		15%		*25%		28%		33%		35%	
	T	P	T	P	T	P	T	P	T	P	T	P
Transit or Parking Benefit <i>(monthly maximum)</i>	\$255	\$255	\$255	\$255	\$255	\$255	\$255	\$255	\$255	\$255	\$255	\$255
Federal Income Tax Saved	\$306	\$306	\$459	\$459	\$765	\$765	\$857	\$857	\$1,010	\$1,010	\$1,071	\$1,071
FICA Savings (Social Security + Medicare)	Social Security		\$190	\$190	\$190	\$190	\$0**	\$0**	\$0**	\$0**	\$0**	\$0**
	Medicare		\$44	\$44	\$44	\$44	\$44	\$44	\$44	\$44	\$44	\$44
State/City Income Tax Saved <i>(varies by state; assumes 6%)</i>	\$184	\$184	\$184	\$184	\$184	\$184	\$184	\$184	\$184	\$184	\$184	\$184
Total Annual Employee Savings	\$724	\$724	\$877	\$877	\$1,183	\$1,183	\$1,085	\$1,085	\$1,238	\$1,238	\$1,299	\$1,299
Percent Saved	23.7%		28.7%		38.7%		35.5%		40.5%		42.5%	

HOW TO CALCULATE EMPLOYER SAVINGS

		Annual Employee Salary	
		\$127,200 or less	\$127,201 or more
FICA Savings	Social Security	\$190	\$0
	Medicare	\$44	\$44
Total Annual Employer Savings		\$234	\$44
Percent Saved		7.65%	1.45%

NOTE: Employees in the most common tax bracket who receive BOTH transit and parking benefits (\$510/mo) can save an annual maximum total of \$2,366 (\$1,183 for transit + \$1,183 for parking). The savings from monthly benefit levels below \$255 can be calculated proportionally. In specific situations, further savings may result from other salary-linked costs such as unemployment, disability, retirement, workers compensation or wage taxes.

The Social Security tax limit (Employee - 6.2% and Employer - 6.2% up to \$127,200 for 2017) also rises annually. Medicare is 1.45% with no limit. In addition, wages paid in excess of \$200,000 for Single filers (and \$250,000 for Married filing jointly) are subject to an additional 0.9% Medicare tax. Employers will not pay this additional Medicare tax.

**\$190 annual savings in employee Social Security tax also applies to Singles in the 28% bracket with income below \$127,200, and for spouses earning less than \$127,200 in the 28%, 33%, 35% or 39.6% married brackets.

Consult your tax advisor for specific advice.

