

Ridepanda



ESSENTIAL GUIDE

Pre-Tax & Post Tax Commuter Benefits

**Maximizing Tax Savings & Employee Benefits
Through Transportation Incentives**



Index

A Comprehensive Approach to Commuter Benefits	3
Understanding the Current Regulations	4
How Transportation Benefits Work	8
Pre-Tax & Post-Tax Subsidies	10
Commuter Benefit Platforms	15
Practical Tips for Rolling Out Commuter Programs	18
The Future of Commuter Benefits	20
Charting a Path to Savings, Sustainability, and Employee Satisfaction	23



INTRODUCTION

A Comprehensive Approach to Commuter Benefits

When it comes to commuter benefits, most employers and employees are familiar with the significant advantages of pre-tax programs. They're a proven way to save money, reduce tax burdens, and make daily commutes more affordable for employees. But what if there's an even better way to deliver value?

By combining **pre-tax** commuter benefits with **post-tax options**, employers can create a holistic transportation benefits program that meets diverse employee needs while reinforcing their commitment to flexibility, wellness, and sustainability. This comprehensive approach maximizes the impact of commuter programs, offering tax savings alongside perks that go beyond what's traditionally covered under pre-tax rules.

Why Pre-Tax Benefits Matter

Pre-tax commuter benefits, governed by IRC Section 132(f), are the foundation of any commuter program. They allow employees to set aside part of their salary tax-free to cover eligible transportation costs like transit passes, qualified parking, and vanpooling. The result? Employees save on income taxes, employers reduce payroll tax liabilities, and everyone wins.

The Role of Post-Tax Options

While pre-tax programs are powerful, they do have limitations. Certain innovative or wellness-focused transportation options — like e-bikes, scooters, or rideshares — aren't currently eligible for pre-tax savings. That's where post-tax benefits come in. By using programs like Lifestyle Spending Accounts (LSAs) or direct subsidies, employers can offer additional perks for micromobility, bike purchases, or even rideshare credits. Post-tax benefits allow employers to fill the gaps left by pre-tax programs, offering flexibility to employees who have different commuting needs or who

want to explore greener, more innovative commuting options.

A Roadmap for Success

This guide will help you navigate the world of commuter benefits, from understanding the tax advantages of pre-tax options to exploring innovative post-tax strategies. We'll show you how to create a program that saves money, aligns with sustainability goals, and keeps your employees happy.

By the end of this ebook, you'll have the tools to build a best-in-class commuter benefits program that works for everyone — and positions your company as a forward-thinking leader in employee wellness and environmental responsibility. Let's get started!

Understanding the Current Regulations

Welcome to the wonderful world of commuter benefits! Section 132(f) might sound like legal jargon, but trust us — it's packed with perks for everyone. Let's dive in, shall we?

Overview of IRC Section 132(f): The Tax-Saving Dynamo

Imagine this: you're commuting to work and saving money on your bus pass or parking fees — all tax-free. Thanks to IRC Section 132(f), employees can enjoy certain transportation perks without the IRS taking a bite out of their paycheck. And employers? You get to dodge some payroll taxes and deduct the costs of these benefits as business expenses.

For Employees

No federal income tax, Social Security tax, or Medicare tax on qualified commuter benefits. That means more money in your pocket.

For Employers

Forget payroll taxes on these benefits and enjoy tax deductions, making you a budget-savvy superstar.

This is tax law at its finest: a win-win for workers and businesses alike.

Key Qualified Transportation Fringe Benefits

Now, let's talk about perks. Section 132(f) is like a buffet of commuter benefits. Here's what's on the menu:

- **Transit Passes:** Whether you're catching a bus, train, or subway, the law covers the cost of transit passes, vouchers, or fare cards. Your daily commute just got cheaper — and greener.
- **Qualified Parking:** Got a car? This benefit covers parking near your workplace or a transit stop. No more digging into your wallet for meter change.
- **Vanpooling:** Carpooling is cool again, especially when you share a ride in a van with at least six passengers. It's efficient, eco-friendly, and Section 132(f)-approved.
- **Rideshare & Bicycle Commuting Reimbursements:** These benefits were temporarily grounded by the Tax Cuts and Jobs Act (TCJA) from 2018 to 2025, but there's hope they'll return.

Let's Talk Numbers: Maximizing Tax-Free Savings in 2025

The IRS has spoken! For 2025, employees can exclude up to \$325 per month for both transit passes and qualified parking from taxable wages. That's a total of \$3,900 annually per benefit that employees can save from taxation. The IRS adjusts these limits annually to reflect inflation. In 2024, the cap was \$300/month, but the jump to \$325/month for 2025 is a sign of how these benefits are keeping up with rising commuting costs.

Quick Recap

Section 132(f) isn't just a tax law; it's a financial lifesaver for commuters and employers alike. With benefits like transit passes, parking, and vanpooling, plus inflation-adjusted limits, there's no reason not to jump on board. Whether you're riding the subway or managing a team of commuters, this law is your ticket to tax-friendly travel.

How Employers and Employees Can Stay Up to Date on Regulations

1. **Monitor IRS Announcements:**
Stay informed about IRS updates through official publications, such as the IRS Revenue Procedures or tax bulletins.
2. **Plan for Incremental Adjustments:**
Employers should prepare to adjust payroll systems and benefit policies annually to accommodate new limits.
3. **Flexible Benefit Administration:**
Use commuter benefit platforms to easily update caps when new guidelines are released.
4. **Communicate with Employees:**
Share updates with employees about any changes in limits and how they can maximize tax savings.

Leveraging City Tax Breaks for Environmental and Micromobility Initiatives

In addition to the federal tax savings offered through commuter benefits under IRC Section 132(f), many cities and states provide local tax incentives to encourage businesses to adopt environmentally friendly practices. These tax breaks are particularly relevant when companies integrate micromobility solutions, such as e-bikes and scooters, into their transportation benefit programs. Here's how your organization can capitalize on these opportunities:

1. Local Tax Credits for Green Initiatives

Some municipalities offer tax credits or deductions to businesses that implement programs promoting sustainability. By encouraging micromobility and reducing reliance on single-occupancy vehicles, companies can help cities achieve their climate and congestion goals — and earn valuable tax savings in return.

Examples of Local Initiatives:

- San Francisco's Commuter Benefits Ordinance: Companies with 20+ employees in the Bay Area are required to offer

- commuter benefits and can take advantage of tax breaks tied to environmental programs.
- New York City's Climate Mobilization Act: Businesses contributing to sustainability efforts, including micromobility adoption, may qualify for incentives.

Key Tip

Check with your city or state government for specific programs rewarding green business practices.

2. Incentives for Reducing Carbon Emissions

Cities are increasingly focused on reducing traffic congestion and greenhouse gas emissions. Companies offering transportation benefits like Ridepanda, which supports micromobility options, can position themselves to qualify for grants, rebates, or reduced local tax obligations.

How It Works:

- Encouraging employees to bike or scooter to work helps reduce vehicle emissions, a metric some cities use to determine eligibility for tax incentives.

- Participating in carbon-reduction initiatives may align with city-backed programs designed to fund green transportation efforts.

Key Tip

Incorporate micromobility into your benefit plans and track usage data to demonstrate your impact on local environmental goals.

3. Enhanced Benefits for Micromobility Solutions

Some jurisdictions offer specific incentives for businesses that promote micromobility. This includes funding for programs supporting e-bike rentals, subsidies for scooter sharing, or infrastructure upgrades like bike racks or charging stations.

Examples of City Incentives:

- Portland, Oregon: Offers incentives for businesses that support active commuting programs, including micromobility, as part of their Climate Action Plan.
- Austin, Texas: Provides grants for companies that invest in sustainable transportation infrastructure.

Key Tip

Leverage these programs to subsidize the cost of micromobility solutions through pre-tax or post-tax benefits.

4. Recognition and Partnerships

Businesses that prioritize sustainable transportation solutions may also benefit from public recognition or preferred status in city programs. Many cities partner with eco-conscious businesses to co-promote their efforts, boosting visibility and enhancing your company's reputation.

Why It Matters:

- Being recognized as a sustainability-focused employer strengthens your brand and attracts eco-conscious talent.
- Participation in city programs may provide additional financial or logistical support for expanding your commuter benefits.

Maximizing Opportunities for Your Business

Integrating micromobility solutions into your transportation benefits program doesn't just make sense for your employees — it's a smart financial and strategic move for your company. By taking advantage of city tax breaks and environmental initiatives, you can reduce costs, enhance your green credentials, and strengthen your company's position as a forward-thinking, sustainable employer.

Ready to keep rolling? Let's explore how these benefits actually work in the next chapter!

How Transportation Benefits Work

Breaking Down the Magic of Commuter Perks

Commuter benefits aren't just a win-win; they're a triple win — for employees, employers, and even the environment. But how do they actually work? Well, it all comes down to how these benefits are delivered. Think of it like choosing between ride-sharing apps — different methods, but they all get you where you need to go!

Option 1: Direct Provision by the Employer

This is the VIP service of commuter benefits. The employer handles everything upfront, providing transportation perks directly to employees.

What It Looks Like:

- Pre-loaded transit passes for buses, subways, or trains.
- Paid parking at or near the workplace.
- Subsidized e-bike memberships

Why Employees Love It:

No hassle, no paperwork — just a smooth ride to savings. Employees can take their preferred mode of transportation, knowing it's covered.

Option 2: Reimbursement for Transportation Expenses

For employees who prefer to go their own way, employers can reimburse commuting expenses after they're incurred.

What It Looks Like:

- Keep your transit receipts, and your employer pays you back.
- Submit parking receipts, and the money lands back in your pocket.

Why Employees Love It:

Flexibility is key! Employees can use what works best for their commute without being locked into specific options.

Option 3: Pre-Tax Payroll Deductions

This method is like a secret handshake with the tax code. Employees allocate a portion of their pre-tax salary to cover transportation costs, lowering their taxable income (and saving big bucks).

What It Looks Like:

- Employees choose how much they want to set aside each month for transit, parking, or vanpooling.
- The designated amount is deducted from their paycheck before taxes are calculated.

Why Employees Love It:

- Employees save money on taxes.
- Employers save on payroll taxes.

**Benefits to Employers and Employees:
Why This Matters**

Commuter benefits aren't just about dollars and cents — they're about making life easier, more affordable, and more sustainable. Here's why they're worth the hype:

For Employees: Savings That Go Straight to the Bank

- **Tax-Free Commutes:** Imagine getting to work and keeping more of your paycheck. With pre-tax commuter benefits, employees save on federal income, Social Security, and Medicare taxes — and sometimes even state taxes.
- **Lower Commuting Costs:** Whether it's a subway ride or a reserved parking spot, the financial burden of getting to work shrinks faster than your patience in rush-hour traffic.
- **Better Work-Life Balance:** Employers who care about your commute? That's the kind of workplace culture dreams are made of.

Pro Tip

Saving money feels good, but knowing you're contributing to a greener commute? Even better.

For Employers: It's All About the Bottom Line

- **Payroll Tax Savings:** For every pre-tax dollar employees allocate for commuter benefits, employers save on payroll taxes (FICA). Multiply that by a whole team, and those savings add up faster than a speeding bullet train.
- **Recruitment and Retention Superpower:** Want to stand out in a competitive job market? Offering flexible, inclusive, commuter benefits shows employees you care about their experience — before, during, and after work hours.
- **Make Your Money Go Farther:** Did you know that a single parking space can cost employers \$29,000 on average to construct and will only support a single employee's commute needs? That's enough to fund 24 years of e-bike access for one employee with an e-bike subscription like Ridepanda.

- **Sustainability Wins:** Encouraging public transit, biking, or vanpooling helps reduce your organization's carbon footprint. Bonus: Millennials and Gen Z love eco-friendly companies.

What's Next?

By now, you're starting to see the power of commuter benefits for both employees and employers. But we're just getting warmed up! In the next chapter, we'll break down the pros and cons of pre-tax and post-tax subsidies, so you can make the best choice for your organization.

Pre-Tax & Post-Tax Subsidies

Picking the Right Route for
Maximum Savings

When it comes to commuter benefits, there are two main ways to offer support: pre-tax or post-tax subsidies. Each has its perks and quirks, but choosing the right approach can be the difference between riding first-class savings or just cruising along. Let's explore the fine print of both options.



Pre-Tax Subsidy

The Tax-Free Golden Ticket

Think of pre-tax subsidies as the unicorn of employee benefits — rarely spotted outside of specific perks, but undeniably magical when you find them. With a pre-tax subsidy, employees allocate a portion of their salary toward qualified commuter expenses before taxes are calculated. This lowers their taxable income while saving both the employee and employer on taxes.

Why Pre-Tax Rocks

For Employees

No taxes? Yes, please! Every dollar allocated is shielded from federal income, Social Security, and Medicare taxes (and often state taxes, too).

For Employers

Every pre-tax dollar reduces payroll tax liability, specifically the 7.65% FICA tax. Multiply that across a workforce, and the savings pile up fast.

A Quick Example
Pre-Tax in Action

The Setup

Employers offer a \$100/month pre-tax commuter benefit.

For Employees

Let’s assume Jamie (our favorite commuter) is in the 22% federal tax bracket.

Monthly pre-tax deduction: \$100

Annual taxable income reduction: \$1,200

Total tax savings: \$264/year (22% federal + 7.65% Social Security/Medicare)

For Employers

Jamie’s employer saves 7.65% on payroll taxes for the same \$1,200 pre-tax benefit: \$91.80/year saved per employee.

Combined Savings (Employer + Employee): \$451.80/year per employee!

Now, imagine a company with 50 employees like Jamie — \$22,590/year in total savings. That’s enough to fund a team pizza party every week... or just enjoy a more robust bottom line.

Post-Tax Subsidy

A Very Generous Option

A post-tax subsidy still supports employees, but with one key difference: it's treated as taxable income. This means employees (and employers) both face taxes on the benefit.

Why Post-Tax Is Still Good

For Employees

Post-tax subsidies are better than nothing — they still help offset commuting costs, and allow you to choose the best commute option for your unique needs.

For Employers

While payroll tax savings are off the table, the benefit can still be deducted as a business expense. Plus with post-tax subsidies there are no restrictions on what type of commuting is allowed.

A Quick Example

Post-Tax in Action

The Setup

Employers offer a \$100/month post-tax commuter subsidy.

For Employees

Jamie receives the full \$100/month as part of their paycheck, but taxes apply:

Federal income tax (22%): -\$22

Social Security & Medicare (7.65%): -\$7.65

Net benefit to Jamie: ~\$70/month

Over a year, Jamie pockets \$840 net from the post-tax subsidy — not bad, but not quite the full \$1,200 benefit.

For Employers

Payroll taxes apply, meaning they pay 7.65% on the subsidy amount:

Annual subsidy: \$1,200

Employer payroll taxes: +\$91.80/year per employee

But, employers can still write off the post-tax subsidies they offer. In short, post-tax subsidies still help, even though the overall savings aren't as impactful as their pre-tax counterparts.

Summary Comparison

Pre-Tax vs. Post-Tax

Sometimes, the numbers speak louder than words. Here’s how pre-tax and post-tax subsidies stack up:

Aspect	Pre-Tax Subsidy	Post-Tax Subsidy
Tax Savings (Employee)	Full exclusion from taxes	Write off expense of the subsidy
Tax Savings (Employer)	Payroll tax savings (7.65%)	None (payroll taxes apply)
Net Employee Benefit	Full \$100 per month value	Reduced (~\$70 per month net)

The Power of Pairing Pre-Tax and Post-Tax Benefits

Together, pre-tax and post-tax options create a commuter benefits program that’s both cost-efficient and forward-thinking. Employees can take advantage of pre-tax savings for traditional commuting expenses while also enjoying post-tax perks that support sustainability, wellness, and convenience.

For example:

- Pre-Tax: Employees save on taxes when they use public transit or qualified parking.
- Post-Tax: Employers can subsidize or reimburse employees for e-bike and scooter rentals, or fund micromobility options through LSAs.

By combining these two approaches, employers can:

- Maximize Participation: Appeal to employees across different commuting preferences and lifestyles.
- Promote Sustainability: Encourage micromobility and other green commuting options that reduce environmental impact.
- Enhance Employee Satisfaction: Demonstrate a commitment to flexibility and wellness through customized commuting solutions.

Which Route Should You Take?

When it comes to commuter benefits, there's no one-size-fits-all solution. Both pre-tax and post-tax subsidies have distinct advantages, and combining them is the ultimate way to create a robust and flexible program that benefits everyone.

Pre-tax subsidies are the gold standard for maximizing tax savings. They allow employees to save on transportation costs while reducing their taxable income, and employers enjoy payroll tax savings as well. It's a win-win that puts more money in employees' pockets and less in Uncle Sam's.

However, post-tax subsidies bring flexibility to the table. These options shine when employers want to go beyond IRS-qualified expenses, supporting things like ride-hailing apps, electric bikes, or micromobility solutions that aren't eligible for pre-tax savings. They're also ideal for providing additional commuter perks after employees have maxed out their pre-tax benefits.

The best strategy? Offer both pre-tax and post-tax options. Together, they create a comprehensive program that caters to a wide range of employee needs and commuting preferences. Employees can use pre-tax benefits for traditional expenses like transit passes or parking while leveraging post-tax perks for greener, more innovative options like e-bikes or rideshares.

Forward-thinking companies like Intuit, Asana, and Rubrik are already embracing this dual approach, providing employees with the flexibility to customize their benefits while reinforcing their commitment to sustainability and wellness.

There are platforms designed to handle the heavy lifting, making it easier than ever to implement a seamless program. In the next chapter, we'll explore some of the top platforms and tools that can help you offer a full spectrum of commuter benefits, from pre-tax savings to post-tax perks. Let's dive in!

Commuter Benefit Platforms

Making Administration a Breeze

You've embraced the idea of commuter benefits, expanded your offerings to include micromobility, and crafted a program your employees will love. But how do you actually implement it? That's where commuter benefit platforms come in — streamlined, user-friendly solutions that make administering these programs as smooth as a ride on a brand-new e-bike.

This chapter explores some of the top platforms that support commuter benefits, along with how Lifestyle Spending Accounts (LSAs) can help you take your program to the next level.

Popular Platforms Supporting Commuter Benefits

Choosing the right platform is like picking the perfect commuter vehicle — each one has its strengths, and the right choice depends on your company's needs. Here's a look at some popular platforms that can help you manage and maximize commuter benefits.



Edenred is a global leader in employee benefits, offering robust solutions for managing commuter benefits with ease and flexibility. Known for its extensive network and innovative platform, Edenred helps companies provide pre-tax and post-tax commuting options, ensuring both tax savings and employee satisfaction.

Key Features:

Offers both pre-tax and post-tax solutions, ensuring the ability to offer micromobility and non-IRS-qualified commuting options like rideshares and e-bikes.

Easily integrates with payroll systems and benefits platforms for smooth implementation.

Operates in over 45 countries with solutions tailored to local regulations and commuting trends.

Why Edenred?

Edenred simplifies commuter benefits with its versatile, scalable, and sustainability-focused solutions. It's the ideal choice for companies looking to reduce tax burdens, improve employee satisfaction, and support green initiatives — all with a trusted global partner.



WageWorks is a leading provider of commuter and employee benefits, specializing in simplifying pre-tax and post-tax benefit administration. Trusted by businesses of all sizes, WageWorks offers a robust platform designed to streamline the management of commuter benefits while helping employers and employees maximize tax savings and convenience.

Key Features

Supports pre-tax and post-tax commuter options, including transit passes, vanpooling, qualified parking, and micromobility solutions.

Ensures compliance with IRC Section 132(f) for pre-tax benefits.

Offers support for both employers and employees to ensure smooth program adoption and usage.

Why Choose WageWorks?

WageWorks is an excellent choice for companies seeking a trusted partner to manage commuter benefits while driving cost savings and employee engagement. By offering flexible solutions that cover both pre-tax and post-tax benefits, the platform allows organizations to deliver comprehensive, forward-thinking programs that reflect their commitment to their employees and the environment.



Commutifi is a modern platform designed to optimize commuter benefits through data-driven insights and sustainability-focused solutions. Known for its emphasis on efficiency and environmental impact, Commutifi helps employers streamline their commuter programs while promoting cost savings and eco-friendly commuting habits.

Key Features

Calculates a personalized "Commute Score" for employees based on cost, time, and environmental impact.

Offers flexible integration of post-tax subsidies for non-IRS-qualified expenses like ridesharing and e-bikes.

Tracks and reports on environmental impact, helping companies align with corporate sustainability goals.

Why Choose Commutifi?

Commutifi combines innovative technology, sustainability, and commuter benefits into one powerful platform. It's a perfect fit for companies looking to enhance employee satisfaction, reduce commuting costs, and contribute to a greener future.



Ridepanda is revolutionizing commuting by offering eco-friendly micromobility solutions like e-bikes and e-scooters, all tailored to support modern workplace benefits programs.

Key Features:

Simplifies access to e-bikes, e-scooters, and other micromobility devices through curated options.

Integrates with pre-tax and post-tax benefit platforms for seamless employee adoption.

Promotes sustainability and employee wellness by encouraging greener commuting options.

Why Ridepanda?

Looking to combine sustainability with cutting-edge employee benefits? Ridepanda helps employers provide meaningful, future-forward commuting solutions. By integrating micromobility into your benefits strategy, Ridepanda not only reduces your team's carbon footprint but also boosts employee satisfaction and retention through innovative transportation perks.

Leveraging Lifestyle Spending Accounts (LSAs)

What are LSAs? Think of them as a Swiss Army knife for employee benefits — flexible, customizable accounts that can cover a wide range of post-tax perks, including commuter and wellness benefits.

When it comes to micromobility and other modern commuting options, LSAs are a game-changer.

How LSAs Work for Commuter Benefits

LSAs provide funds employees can use for eligible expenses, which may include:

- E-Bike and E-Scooter Rentals: Help employees utilize sustainable, long-term commuting solutions.
- Wellness-Related Rides: Trips to the gym, park, or anywhere that promotes physical and mental health.

By covering post-tax subsidies for micromobility, LSAs fill a critical gap in traditional commuter benefit programs.

Why LSAs Make Sense

- Flexibility: Employees can use funds in ways that make sense for their unique commuting needs.
- Broad Coverage: From micromobility to wellness trips, LSAs open up a world of possibilities.
- Modern Appeal: LSAs resonate with today's workforce, particularly younger employees who value choice and sustainability.

Platforms + LSAs: A Winning Combo

Combining a robust commuter benefit platform with the flexibility of LSAs allows employers to create a benefit program that:

- Saves money for employees and employers.
- Supports sustainable and healthy commuting options.
- Adapts to the evolving needs of the modern workforce.
- Allows employees to utilize the mode of transportation that works best with their lifestyle and preferences.

Ready to Roll?

Choosing the right platform and integrating LSAs might sound like a lot, but the rewards are worth it. By leveraging these tools, you'll create a commuter benefits program that's as efficient and innovative as the employees who use it.

In the next chapter, we'll walk you through practical tips for rolling out your program and getting employees on board. Let's keep moving forward!

Practical Tips for Rolling Out Commuter Programs

Rolling out a commuter benefits program doesn't have to be daunting. With careful planning and employee-focused strategies, you can create a program that's easy to implement, widely adopted, and impactful for both your organization and your team. Here's how to make it happen.

Build a Strong Foundation

Understand Your Workforce's Needs:

Start by surveying employees to learn about their commuting habits, challenges, and preferences. Do they rely on public transit? Are they interested in micromobility options like e-bikes? Understanding these needs helps tailor the program to maximize engagement.

Assess Available Benefits Platforms:

Evaluate commuter benefit providers to identify the best fit for your program. Consider factors like integration capabilities, pre-tax/post-tax options, and support for micromobility.

Start Small, Then Scale:

Consider piloting the program with a smaller group of employees or in a few of your office locations to work out any kinks before a company-wide rollout. Use their feedback to refine the offering.

Promote the Program Effectively

Create a Clear Communication Plan:

Explain the program in simple, engaging terms. Highlight the tax savings, environmental benefits, and convenience it offers employees. Use email campaigns, FAQs, and infographics to make the information accessible.

Host a Launch Event:

Kick off the program with an interactive launch event. Bring in a partner like Ridepanda to showcase e-bike and e-scooter options, or host a Q&A with your benefits provider to address employee questions.

Leverage Internal Champions:

Identify enthusiastic employees who can act as program ambassadors. Their personal stories and recommendations can encourage their peers to participate.

Make Enrollment Simple

Streamline the Signup Process:

Use user-friendly platforms where employees can easily enroll in benefits, adjust contributions, or access resources. A confusing process can deter participation.

Offer Onboarding Support:

Provide step-by-step guides or virtual tutorials to help employees understand how to opt in and start using their benefits.

Ensure Accessibility:

Accommodate employees across all commuting scenarios, from remote workers needing occasional parking passes to urban employees relying on public transit or micromobility.

Incentivize Participation

Provide Subsidies or Discounts:

Offer subsidies to help make commuter benefits more affordable for your employees. This can encourage employees to opt into the program and experience its value firsthand.

Run a Commuter Challenge:

Organize a friendly competition that rewards employees for sustainable commuting, like biking to work or reducing car usage. Prizes could include gift cards, wellness perks, or additional commuting credits.

Highlight Early Adopters:

Celebrate employees who join the program early by sharing their success stories in newsletters or company meetings.

Monitor and Evolve

Track Participation and Feedback:

Use data from your commuter benefits platform to monitor enrollment rates and usage trends. Regularly solicit employee feedback to identify what's working and what needs to be adjusted.

Adapt to Changing Needs:

As commuting habits evolve (e.g., hybrid work schedules or increased micromobility interest), ensure your program remains flexible and relevant.

Communicate Updates:

Keep employees informed about program enhancements, such as increased monthly

limits, new benefit options, or improved features. Transparency builds trust and boosts engagement.

Sustainability and Wellness Tie-Ins

Emphasize Environmental Impact:

Highlight how the program contributes to sustainability goals, such as reducing your company's carbon footprint or promoting greener cities.

Connect to Wellness Initiatives:

Position commuter benefits as part of a broader wellness strategy. For example, biking to work can double as exercise, while reduced commuting stress supports mental health.

Final Thoughts

Rolling out a commuter benefits program is more than just a policy change—it's an opportunity to enhance your workplace culture, support employee well-being, and champion sustainability. By focusing on clear communication, simple processes, and continuous improvement, you can build a program employees love and value.

The Future of Commuter Benefits

Embracing Micromobility and Flexible Options

The world of commuting is evolving. Gone are the days when employee benefits revolved solely around cars, parking spots, and public transit passes. Enter micromobility — a movement that's reshaping how we get from point A to point B, with e-bikes, scooters, and other compact transportation options leading the charge.

In this chapter, we'll explore how employers can future-proof their commuter benefits program by embracing micromobility, increasing flexibility, and removing outdated restrictions. Let's pave the way to a more sustainable, inclusive, and exciting approach to transportation benefits.

Transition to a "Micromobility Benefit"

Micromobility is more than a buzzword — it's a revolution. These lightweight, eco-friendly options are perfect for short commutes, last-mile trips, and even leisure rides. Forward-thinking employers can expand their benefit offerings to include:

- E-Bikes: Help employees trade gridlock for pedal-powered efficiency.
- Scooters: Perfect for quick trips or zipping through urban areas.
- Other Devices: From skateboards to motorized unicycles (yes, they exist!), the micromobility spectrum is growing.

Why It Matters:

Micromobility supports sustainable transportation goals, reduces carbon footprints, and encourages healthier lifestyles.

Employees who live in areas without extensive public transit benefit from a broader range of commuting options.

Increase Monthly Caps

Let's face it: micromobility expenses can add up quickly. Between purchasing equipment, maintaining devices, and paying for recharges, \$300/month is a reasonable benchmark for a commuter benefit cap.

Why Align Caps with Other Benefits?

- Fairness: Public transit and parking have long enjoyed the \$300/month limit — micromobility deserves the same treatment.
- Accessibility: Higher caps make these benefits practical for more employees, especially in high-cost urban areas.

By increasing the monthly micromobility cap, employers can make this benefit more inclusive and impactful.

Flexibility for Mixed-Mode Commuting

Not every commute fits neatly into one category. Many employees combine modes of transportation, such as biking

to a train station or driving to a carpool pickup point.

The Solution:

Allow employees to split benefits across different commuting methods. For example:

- \$150/month for an e-bike lease.
- \$150/month for a transit pass.

The Benefits:

- Personalization: Employees can design a commute plan that fits their needs.
- Increased Participation: Flexibility attracts more employees to the program, maximizing its impact.

Hybrid commutes are the future — let's empower employees to make the most of them.

Remove Commuting-Only Restrictions

Who says benefits should stop at the office door? By removing "commuting-only" restrictions, employers can unlock even greater value for their workforce. Imagine allowing employees to use benefits for:

- Wellness Trips: Biking to the park or gym.
- Errands: Scootering to the grocery store or pharmacy.

- Leisure Rides: Taking a weekend e-bike adventure.

Why This Shift Matters:

- Boosts Engagement: Employees are more likely to use a benefit that supports their full lifestyle, not just their 9-to-5.
- Promotes Wellness: Physical activity, fresh air, and stress-free trips contribute to happier, healthier employees.
- Sustainability Goals: Expanding beyond commuting encourages more widespread adoption of greener transportation options.

Prioritize Sustainability

As the world increasingly focuses on environmental responsibility, commuter benefits have the potential to become a cornerstone of corporate sustainability strategies. By encouraging employees to adopt greener commuting options, companies can significantly reduce their carbon footprint while fostering a culture of eco-consciousness.

Green Commuting Takes Center Stage

Traditional commuter benefits like transit passes and vanpooling have long supported sustainability by reducing the number of single-

occupancy vehicles on the road. However, the future of commuter benefits is about expanding these offerings to include cutting-edge, eco-friendly transportation modes like:

- E-bikes and e-scooters for micromobility.
- Ridesharing programs that pool resources and reduce emissions.
- Electric vehicle (EV) incentives for charging and commuting.

Why Sustainability Matters in Commuting

1. Meeting Corporate ESG Goals: Environmental, Social, and Governance (ESG) metrics are now key performance indicators for many businesses. Offering sustainable commuting options shows a company's commitment to reducing its environmental impact.
2. Attracting Conscious Talent: Today's workforce, especially younger generations, values employers who prioritize sustainability. Offering green commuting benefits can strengthen employer branding.
3. City and Tax Incentives: As mentioned earlier in this guide, many cities provide tax breaks or grants to companies that implement environmentally friendly initiatives, making green benefits a smart financial decision.

Integrating Sustainability into Commuter Programs

1. Incentivize Low-Carbon Choices: Provide additional subsidies or perks for employees who opt for sustainable modes of transport, such as micromobility or public transit.
2. Measure and Report Impact: Use commuter benefit platforms to track employee usage of eco-friendly options and report the company's progress toward sustainability goals.
3. Hybrid and Remote Work Alignment: Support employees' need for flexibility while still encouraging green commuting for on-site workdays.

Driving Toward the Future

The commuter benefits landscape is changing, and micromobility is leading the way. By expanding coverage, allowing pre-tax contributions, increasing caps, and embracing flexibility and sustainability, employers can meet their teams where they are — whether that's biking, scootering, or hopping between modes of transit.

The road ahead is clear: it's time to trade old-school benefits for modern solutions that make commuting easier, greener, and more rewarding.



Charting a Path to Savings, Sustainability, and Employee Satisfaction

Commuter benefits under IRC Section 132(f) represent the perfect blend of practicality and purpose. For employers, they deliver significant payroll tax savings and a competitive edge in talent retention. For employees, they reduce commuting costs without adding to taxable income.

But this is just the beginning. The future of commuter benefits is evolving, and proposed regulatory changes hold the potential to reshape the landscape by making micromobility options — like e-bikes and e-scooters — more accessible and tax-advantaged.

Companies like Ridepanda are poised to lead this transformation. By integrating sustainable

and affordable transportation solutions, they empower organizations to embrace eco-friendly commuting while supporting employee wellness.

Whether you're looking to enhance your benefits program, align with sustainability goals, or simply stay ahead of the curve, the time to act is now. Together, we can build a future where commuting is not just a necessity but an opportunity — for savings, for innovation, and for a healthier planet.

Let's drive forward — toward a greener, smarter, and more connected world.



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