



PURPOSE:

Pre-tax parking plans are governed by rules set by the Internal Revenue Service (IRS) and supersede this information in the event of any discrepancy. If you have any questions about the plan, please contact Katy Rollo in Financial Accounting and Reporting, ext 5003.

OVERVIEW:

The CSU Pre-Tax Parking Deduction Plan allows you to pay for CSU 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 your campus (e.g., CSU owned, leased or contracted parking facility). If you are eligible, participation in the plan is automatic unless you choose otherwise. Deductions are taken from your pay before federal, state, Social Security, and Medicare taxes are calculated. Your taxable income is reduced, and consequently, your taxable income reflected on your annual W-2 Statement is reduced.

The CSU Pre-Tax Parking Deduction Plan will have no impact on your CalPERS retirement or on any other CSU-paid benefit. However, depending on your salary, your Social Security benefits at retirement may be reduced slightly, because you will have paid Social Security Taxes on a lower wage. (For more information, you may wish to consult your tax advisor or financial planner.)

ELIGIBLE EMPLOYEES:

You are eligible to participate in the CSU Pre-Tax Parking Deduction Plan if you are in an Executive, Management Personnel Plan (MPP), Confidential or other non-represented position, or are covered by a collective bargaining agreement that provides the benefit. You must be in a position that can participate in the plan through payroll deduction.

ENROLLMENT & EFFECTIVE DATE OF PARTICIPATION:

New employees are automatically enrolled in the CSU Pre-Tax Parking Deduction Plan. Participation will be effective the first day of the month following your appointment. Your participation will continue from pay period to pay period until you terminate participation or separate from CSU employment. If you choose not to participate when hired or at any time after enrolled, you must complete and submit a CSU Pre-Tax Parking Deduction Election Authorization form to Financial Accounting and Reporting to disenroll and pay for parking through after-tax payroll deduction. (Please contact Katy Rollo, ext. 5003, for more information.)

CHANGE IN ELECTION:

You may change your election to participate in the plan at any time. All changes must be prospective. If you decide to discontinue or resume participation, you must complete and submit a CSU Pre-Tax Parking Deduction Election Authorization form to Financial Accounting and Reporting. The change will become effective on the first of the month following your change in election subject to campus and State Controller's Office (SCO) processing timelines.