



NEW YORK STATE SENATOR

Charles J. Fuschillo Jr.

## Senator Fuschillo Calls on Washington to Extend Tax Benefit for Commuters

CHARLES J. FUSCHILLO JR. December 13, 2011

| ISSUE: **TAXES**

Senator Charles J. Fuschillo, Jr. (R-Merrick), Chairman of the Senate's Transportation Committee, today wrote to Congressional leaders urging them to work together to extend the \$230 a month federal transit benefit which helps individuals offset their commuting expenses. The \$230 a month benefit is scheduled to expire at the end of the year unless Congress approves an extension.

"At a time when so many family budgets are stretched to the breaking point, commuters can't afford to lose out on hundreds of dollars in tax relief. If Washington fails to extend this benefit, commuters will be paying more just to go to work. That's the last thing we need to do in this economy. I strongly urge our Congressional leaders to work together to prevent this important tax benefit from expiring," said Senator Fuschillo.

The federal government in 2009 increased the transit benefit from \$120 to \$230 a month. This allows employers to let their workers set aside up to \$230 a month of their pre-tax salary to cover commuting expenses through mass-transit. Congress extended the benefit at the end of last year so that increased benefit could continue through 2011. If Congress does not approve another extension by the end of the year, the benefit reverts to \$125, meaning commuters will see their benefit cut almost in half by 2012.

Senator Fuschillo also noted that an extension is needed to prevent residents from seeing a decrease in their state tax benefit. The benefit provided by the internal revenue code reduces state taxes for New York commuters. However, since the New York State benefit is dependent on the federal one, commuters will see both their federal and state taxes increased if Washington does not act.

In addition, Senator Fuschillo is sponsoring legislation (S2728B) to make the minimum permanent state transit benefit \$230 a month. The Senate approved the legislation in April but the Assembly has not yet acted.

*Click the attachment below to view a copy of Senator Fuschillo's letter.*