

113TH CONGRESS
1ST SESSION

H. R. 2288

To amend the Internal Revenue Code of 1986 to modify the exclusion for transportation benefits.

IN THE HOUSE OF REPRESENTATIVES

JUNE 6, 2013

Mr. GRIMM (for himself, Mr. BLUMENAUER, Mr. KING of New York, and Mr. MCGOVERN) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to modify the exclusion for transportation benefits.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Commuter Parity Act
5 of 2013”.

6 **SEC. 2. QUALIFIED TRANSPORTATION FRINGE.**

7 (a) IN GENERAL.—Subsection (f) of section 132 of
8 the Internal Revenue Code of 1986 is amended to read
9 as follows:

10 “(f) QUALIFIED TRANSPORTATION FRINGE.—

1 “(1) IN GENERAL.—For purposes of this sec-
2 tion, the term ‘qualified transportation fringe’ means
3 any of the following provided by an employer to an
4 employee:

5 “(A) Transportation in a commuter high-
6 way vehicle if such transportation is in connec-
7 tion with travel between the employee’s resi-
8 dence and place of employment.

9 “(B) Any transit pass.

10 “(C) Qualified parking.

11 “(D) Any qualified bicycle commuting re-
12 imbursement.

13 “(2) LIMITATION ON EXCLUSION.—The amount
14 of the fringe benefits which are provided by an em-
15 ployer to any employee and which may be excluded
16 from gross income under subsection (a)(5) shall not
17 exceed—

18 “(A) \$220 per month in the case of the ag-
19 gregate of the benefits described in subpara-
20 graphs (A) and (B) of paragraph (1),

21 “(B) \$220 per month in the case of quali-
22 fied parking, and

23 “(C) \$35 per month for qualified bicycle
24 commuting reimbursement.

1 “(3) NO CONSTRUCTIVE RECEIPT.—No amount
2 shall be included in the gross income of an employee
3 solely because the employee may choose between any
4 qualified transportation fringe and compensation
5 which would otherwise be includible in gross income
6 of such employee.

7 “(4) DEFINITIONS.—For purposes of this sub-
8 section—

9 “(A) TRANSIT PASS.—The term ‘transit
10 pass’ means any pass, token, farecard, voucher,
11 or similar item entitling a person to transpor-
12 tation (or transportation at a reduced price) if
13 such transportation is—

14 “(i) on mass transit facilities (whether
15 or not publicly owned), or

16 “(ii) provided by any person in the
17 business of transporting persons for com-
18 pensation or hire if such transportation is
19 provided in a vehicle meeting the require-
20 ments of subparagraph (B)(i).

21 “(B) COMMUTER HIGHWAY VEHICLE.—
22 The term ‘commuter highway vehicle’ means
23 any highway vehicle—

1 “(i) the seating capacity of which is at
2 least 6 adults (not including the driver),
3 and

4 “(ii) at least 80 percent of the mileage
5 use of which can reasonably be expected to
6 be—

7 “(I) for purposes of transporting
8 employees in connection with travel
9 between their residences and their
10 place of employment, and

11 “(II) on trips during which the
12 number of employees transported for
13 such purposes is at least $\frac{1}{2}$ of the
14 adult seating capacity of such vehicle
15 (not including the driver).

16 “(C) QUALIFIED PARKING.—The term
17 ‘qualified parking’ means parking provided to
18 an employee on or near the business premises
19 of the employer or on or near a location from
20 which the employee commutes to work by trans-
21 portation described in subparagraph (A), in a
22 commuter highway vehicle, or by carpool. Such
23 term shall not include any parking on or near
24 property used by the employee for residential
25 purposes.

1 “(D) TRANSPORTATION PROVIDED BY EM-
2 PLOYER.—Transportation referred to in para-
3 graph (1)(A) shall be considered to be provided
4 by an employer if such transportation is fur-
5 nished in a commuter highway vehicle operated
6 by or for the employer.

7 “(E) EMPLOYEE.—For purposes of this
8 subsection, the term ‘employee’ includes an in-
9 dividual who is an employee within the meaning
10 of section 401(c)(1).

11 “(F) QUALIFIED BICYCLE COMMUTING RE-
12 IMBURSEMENT.—For the purposes of this sub-
13 section, the term ‘qualified bicycle commuting
14 reimbursement’ means any employer reimburse-
15 ment for reasonable expenses incurred by the
16 employee for the purchase of a bicycle and bicy-
17 cle improvements, repair, and storage, or
18 bikesharing program, if such bicycle is regularly
19 used for travel between the employee’s residence
20 and place of employment.

21 “(5) INFLATION ADJUSTMENT.—

22 “(A) IN GENERAL.—In the case of any
23 taxable year beginning in a calendar year after
24 2014, the dollar amounts contained in para-

1 graph (2) shall be increased by an amount
2 equal to—

3 “(i) such dollar amount, multiplied by

4 “(ii) the cost-of-living adjustment de-
5 termined under section 1(f)(3) for the cal-
6 endar year in which the taxable year be-
7 gins, by substituting ‘calendar year 2013’
8 for ‘calendar year 1992’.

9 “(B) ROUNDING.—If any increase deter-
10 mined under subparagraph (A) is not a multiple
11 of \$5, such increase shall be rounded to the
12 next lowest multiple of \$5.

13 “(6) COORDINATION WITH OTHER PROVI-
14 SIONS.—For purposes of this section, the terms
15 ‘working condition fringe’ and ‘de minimis fringe’
16 shall not include any qualified transportation fringe
17 (determined without regard to paragraph (2)).”.

18 (b) CONFORMING AMENDMENTS.—Sections
19 403(b)(3)(B), 414(s)(2), 415(c)(3)(D)(ii) of such Code
20 are each amended by striking “132(f)(4),”.

21 (c) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to taxable years beginning after
23 December 31, 2013.

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