

2019 Commuter Benefits Tax Savings Calculator



How to Calculate Employee Savings

1. Locate your federal tax bracket (%) in Table 1 based on your annual household income (22% 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 - 2019 Federal Tax Brackets

%	Household Income Range	
	Single (From - to)	Married (From - to)
10%	Under - \$9,700	Under - \$19,400
12%	\$9,701 - \$39,475	\$19,401 - \$78,950
*22% (most common)	\$39,476 - \$84,200	\$78,951 - \$168,400
24%	\$84,201 - \$160,725	\$168,401 - \$321,450
32%	\$160,726 - \$204,100	\$321,451 - \$408,200
35%	\$204,101 - \$510,300	\$408,201 - \$612,350
37%	\$510,301 and above	\$612,351 and above

Table 2 - 2019 Commuter Benefit Tax Savings (Based on \$265/month = \$3,180/year)

Federal Income Tax Brackets (22% is most common)	10%	12%	*22%	24%	32%	35%	37%
Federal Income Tax Saved	\$318	\$382	\$700	\$763	\$1,018	\$1,113	\$1,177
FICA Savings (Social Security & Medicare)	Social Security	\$197	\$197	\$0*	\$0*	\$0*	\$0*
	Medicare	\$46	\$46	\$46	\$46	\$46	\$46
State/City Income Tax Saved (varies by state; assumes 6%)	\$191	\$191	\$191	\$191	\$191	\$191	\$191
Total Annual Employee Savings	\$752	\$816	\$1,134	\$1,000	\$1,255	\$1,350	\$1,414
Percent Saved	23.6%	25.7%	35.7%	31.4%	39.5%	42.5%	44.5%

How to Calculate Employer Savings (Based on \$265/month = \$3,180/year)

Annual Employee Salary	\$132,900 or less	\$132,901 or more
FICA Savings	Social Security	\$197
	Medicare	\$46
Total Annual Employer Savings	\$243	\$46
Percent Saved	7.65%	1.45%

The savings from monthly benefit levels below \$265 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 \$132,900 for 2019) 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.

*\$197 annual savings in employee Social Security tax also applies to Single's bracket in the 22% bracket with income below \$132,900, and for spouses earning less than \$132,900 in the 24%, 32%, 35% or 37% married brackets.

Consult your tax advisor for specific advice.

Relationship Between Employee Participation Rates & Payroll Tax Savings

