



# **Pre-Tax Parking Qualified Transportation Plan**

Section 132(f) of the Internal Revenue Code provides that employers may exclude from taxable income amounts that are used to pay for qualified transportation benefits. Therefore, LSU has implemented a qualified transportation plan whereby parking fees are deducted on a pre-tax basis through compensation reduction.

All employees are automatically enrolled in the pre-tax parking program. Participation in the program results in less taxable income to employees which results in an increase in take-home pay. Since parking fees are required to be paid, tax sheltering only results in a benefit to the employee. There are no negative consequences to participating in the program. However, employees wishing to do so may opt out of the tax sheltered parking program by sending a written notice to the Office of Parking, Traffic and Transportation or to the Payroll Office.

Any questions concerning the pre-tax parking plan should be directed to the Payroll Office at 225-578-2161.

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