

Commuter Spending Account THE NEW CHOICE ... FROM AFLAC

It's new! It's exciting!

It's the Transportation Equity Act!

Now saving tax money is easier than ever.

YOUR TAX SAVINGS

It's not that your transit costs will be reduced, but it's how you pay for these expenses that can make the difference. Without a Commuter Spending Account plan, you pay taxes on every dollar you earn ... then you pay for your transportation expenses. With a Commuter Spending Account plan, your transit benefit costs are deducted first ... and then you pay taxes on the remainder. This means you don't pay taxes on the money you spend for your qualified transportation expenses! See the example below to learn how Commuter Spending Accounts work for you:

SAVINGS EXAMPLE

Per \$1,000 in Salary

Without Section 132		With Section 132	
\$1,000	Gross Income	\$1,000	Gross Income
- 250	Taxes	-150	Parking Expenses
750	Paycheck	-100	Transit Expenses
- 150	Parking Expenses	750	Adj. Gross Income
- 100	Transit Passes	-188	Taxes
\$ 500	Net Spendable	\$ 562	Net Spendable

A \$62 INCREASE IN YOUR PAYCHECK THROUGH THESE TAX SAVINGS!

This example is for illustration purposes only and assumes a combined tax rate of 25 percent (FICA, federal, and state). Your own personal tax situation may differ. Actual allowable expense election maximums may vary according to IRS regulations. The expense amounts shown do not necessarily correlate with the current permitted maximums under federal law.



CHOOSE THE EASY WAY TO SAVE TAX DOLLARS ON THE TRANSIT AND PARKING EXPENSES YOU INCUR GOING TO AND FROM WORK.

Your Benefits

THE POTENTIAL TAX SAVINGS YOU GAIN FROM PAYING FOR TRANSIT EXPENSES MAY GIVE YOU THE CHOICE BETWEEN ADDING TO YOUR BENEFITS PACKAGE OR RECEIVING A HIGHER PAYCHECK.

Use the money in your Commuter Spending Account for expenses such as the following:

- Parking expenses you incur at or near your place of work
- Transit expenses you incur for transportation on a bus, subway, train, or ferry while you commute to work

The benefits are limited to the amount of funds actually available in each benefit account at the time of claims processing. Under the Commuter Spending Account plan, you may elect up to the federally allowable monthly maximum for parking and transit.

Without a Commuter Spending Account, you pay taxes on every dollar you earn—then you pay for your transit expenses. With a Commuter Spending Account, you can set aside a portion of each paycheck to pay for transit expenses. This amount is deducted from your paycheck before taxes are calculated, so the taxes you owe should decrease. In other words, you won't pay taxes on the money you spend on qualified parking and transit expenses!

Commuter Spending Account plan elections are irrevocable for a defined time period and may reduce Social Security compensation. Any unused funds for active participants in either the parking or transit benefits accounts will be automatically rolled over into the next consecutive plan year. Prior to participation, carefully review your summary plan description and salary redirection agreement for additional terms and conditions.

It's your choice!

Aflac's Commuter Spending Account program gives you the following:

- Potential tax savings
- Expanded benefits coverage

It's your money.

Call 1.800.323.5391,
select Option 2,
and then Option 1.

