



Representative Earl Blumenauer

H.R. 1498 Bike Commuter Act

Currently, employers may offer a Transportation Fringe Benefit to their employees for certain costs incurred while commuting to work. Employees who take advantage of this benefit may receive a tax-exempt benefit up to \$215/month, for drivers participating in qualified parking plans, or \$110/month for those who use transit or vanpooling. There is also the option of taking cash compensation. The Bike Commuter Act aims to balance the incentive structure by extending the Transportation Fringe Benefit to include bicycling.

WHAT THE BIKE COMMUTER BILL DOES:

- Amends Section 132(f) of the IRS code of 1986 to include “bicycles” in the definition of transportation covered by the qualified transportation fringe benefit.
- Provides a strong incentive for employees to bike to work, which is a cleaner, healthier, more efficient mode of transportation.

WHY IS THIS IMPORTANT?

- Financial incentives are currently offered for other modes of transportation. It is time to level the playing field to include bicyclists in the Transportation Fringe Benefit.
- With over 50% of the working population commuting 5 miles or less to work, bicycles offer the strongest potential for reducing single-occupancy vehicle trips.
- According to the Bureau of Transportation Statistics, bicycles are second only to cars as a preferred form of transportation. Excluding this highly preferred mode of transportation is counterintuitive.
- Studies have shown that when facilities such as bike parking or showers are readily accessible, individuals are 40% more likely to bike to work.

Communities across the nation are seeking to reduce traffic congestion, improve air quality, and enhance neighborhood safety. The federal government can assist in those efforts by promoting bicycle use through a small change to the tax code’s existing Transportation Fringe Benefit.

For more information on the bike commuter bill, please contact James Koski or Katie Drennan in the DC office at (202) 225-4811, or see our website at <http://www.blumenauer.house.gov/>.

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