



UPCOMING ENROLLMENT DEADLINES:



Next:
Friday, November 16, 2012

Future:
Thursday, December 13, 2012
Friday, January 18, 2013

QUESTION OF THE MONTH:

What is the common ID for a TRANServe Debit Card?

The common ID for Department of the Navy employees issued a Debit Card is the participant's home zip code.

WHEN WILL I RECEIVE MY TRANSIT BENEFITS?

Are you interested in receiving transit benefits, but want to know how long it takes before your benefits will begin. The first step is to complete the most current application available online (http://www.fmo.navy.mil/Divisions/FMO3/transportation_incentive_program.html). Ensure that all fields are properly completed and submit the completed application to a local reviewing official. Reviewing Officials should review all applications and submit them to the Office of Financial Operations by the monthly deadline. Approved applications for transit benefits are effective on the **FIRST** day of the **SECOND** month following the application deadline. For example, if your application is submitted by the November 16th deadline, and your application is approved, then your benefit eligibility date is January 1, 2013. The Department of Transportation will distribute benefits to approved applicants via a local reviewing official no later than three days prior to the end of the month following the application deadline. This means that all benefits should arrive before a participant's eligibility date. For additional information on the application process, please view the timeline below. For more information, check out the Welcome Aboard! document at: http://www.fmo.navy.mil/documents/Divisions/FMO3/TIP/TIP_WelcomeAboard.docx.

WILL THERE BE A TIP INCREASE FOR 2013?

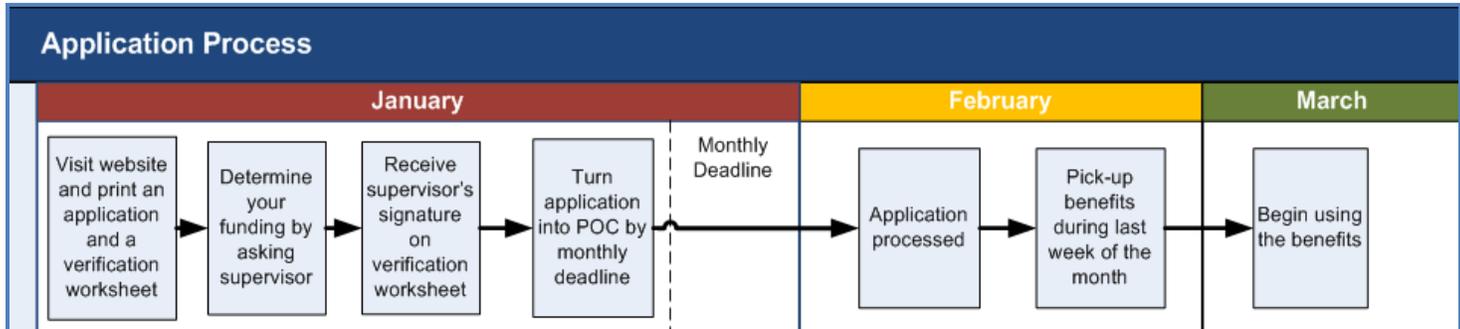
The qualified transportation fringe benefit has always been limited to a maximum benefit amount outlined in Title 26, Internal Revenue Code (IRC) Section 132(f). In the past Congress has adjusted the maximum benefit when passing larger pieces of legislation like "The American Recovery and Reinvestment Act of 2009" and the "Tax Relief, Unemployment Insurance Reauthorization and Job Creations Act of 2010." Both pieces of legislation temporarily expanded the maximum benefit for the qualified transportation fringe benefit. These expansions of the maximum benefit have expired lowering the maximum benefit to the current level of \$125 per month. While there is always legislation pending to expand the maximum benefit, it is unlikely that Congress will take up this issue during the "lame duck" session after the election.



Congress is not the only body that can change the maximum benefit amount. Title 26 IRC Section 132(f)(6) provides for an inflation adjustment to the maximum benefit when certain conditions are met. Each year, the Internal Revenue Service (IRS) evaluates whether the conditions for an inflation adjustment have been met. If so, the IRS publishes a change to the maximum benefit that impacts Federal mass transportation benefit programs. Last year, the IRS released an inflation adjustment to the qualified transportation fringe benefit in [Revenue Procedure 2011-52](#) on November 7, 2011. On October 9, 2012, the IRS published another newsworthy announcement. However, [Revenue Procedure 2012-41](#) is newsworthy not for what it includes, but for what it leaves out. The revenue

procedure specifically excludes any inflation adjustments for qualified transportation fringe benefit for FY13.

So what does this mean for TIP? It means that currently there is no inflation adjustment scheduled for the maximum benefit amount. This could change. The IRS may still release additional inflation adjustments. The Office of Financial Operations will continue to monitor IRS Bulletins and pending legislation on Capitol Hill, and will include any updates in future newsletters. To learn more about the qualified transportation fringe benefit check out the "IRS Taxable Fringe Benefit Guide" at: http://www.irs.gov/pub/irs-tege/fringe_benefit_fslq.pdf.



**DEPARTMENT OF THE NAVY
OFFICE OF FINANCIAL OPERATIONS CONTACT INFORMATION**

PROGRAM MANAGER:
Joshua Coover
joshua.coover@navy.mil
202-685-0399

PROGRAM ASSISTANT:
Carl Pollard
carl.g.pollard.ctr@navy.mil
202-685-0374

MAILING ADDRESS FOR MONEY ORDERS:
Director, Office of Financial Operations
720 Kennon St., SE, Bldg 36, Rm 115
Washington Navy Yard, DC 20374-5025
ATTN: Transportation Incentive Program

Fax: 202-685-6765
E-MAIL ADDRESS: M_WNYD_TIP@navy.mil
WEBSITE: http://www.fmo.navy.mil/Divisions/FMO3/transportation_incentive_program.html

**DEPARTMENT OF TRANSPORTATION
TRANSERVE CONTACT INFORMATION**

DOT AGENT:
Jamie Chatarsa
jamie.chatarsa@dot.gov
202-366-1641

DOT ALTERNATE AGENT:
Tina MacAulay
tina.m.macauley.ctr@dot.gov
202-366-6491

MAILING ADDRESS FOR RETURNING VOUCHERS:
DOT/TRANServe
1200 New Jersey Avenue, SE
Room W12-190
Washington, DC 20590
ATTN: Budget & Finance Office

Fax: 202-493-2436

