

**PRE-TAX SALARY TAX ADVANTAGES
SMARTBENEFITS® PARKING**

Assumptions: Employee pays 28% in federal income tax.
Employee pays 6% in state income tax.

EXAMPLE: If an employer provides SmartBenefits® Parking to an employee at \$105 per month (\$1,260 per year) through *pre-tax salary deduction*, this is the cost to the employee:

| Employee Costs | Private Employer |
|--------------------------------|-------------------------|
| Cost of SmartBenefits® Parking | \$1,260.00 |
| Federal Income Tax Saved | (\$ 352.80) |
| Employee FICA 7.65% Saved | (\$ 96.39) |
| State Income Tax Saved | (\$ 75.60) |
| Total Cost to Employee | \$ 735.21 |

This is the cost **SAVINGS** to the employer:

| Employer Costs | Private Employer |
|---|-------------------------|
| Base Amount Paid to METRO for SmartBenefits® Parking | (\$1,260.00) |
| Money Deducted From Employee Salary to Pay for SmartBenefits® Parking | \$1,260.00 |
| Actual Cost to Employer | \$ 000.00 |
| Employer FICA 7.65% Saved | \$ 96.39 |
| Employer Unemployment Tax Saved* | \$ 75.60 |
| Net Savings to Employer Compared to Cash Salary Payment | \$ 171.99 |

*Federal Unemployment Tax payable on first \$7,000 of each employee's salary per year.