



The Tax-Free Employee Benefit

Transit Benefits Tax Savings Calculator

Locate your tax bracket in the chart below

2008 Federal Tax Brackets	Married From – to	Single From – to
10%	Under \$16,050	Under \$8,025
15%	\$16,051 - \$65,100	\$8,026 - \$32,550
25% (most common)	\$65,101 - \$131,450	\$32,551 - \$78,850
28%	\$131,451 - \$200,300	\$78,851 - \$164,550
33%	\$200,301 - \$357,700	\$164,551 - \$357,700
35%	\$357,701 and above	\$357,701 and above

Employee Savings

Employee Savings @ \$115/mo. = \$1380/yr.

Locate your tax bracket column and follow it down to see a breakdown of you savings

Federal Income Tax Brackets (25% is most common)	10%	15%	25%	28%	33%	35%
Federal Income Tax Saved	\$138	\$207	\$345	\$386	\$455	\$483
FICA Savings (Social Security + Medicare)	Social Security	\$86	\$86	\$0*	\$0*	\$0*
	Medicare	\$20	\$20	\$20	\$20	\$20
State/City Income Tax Saved (varies by state; assumes 6%)	\$83	\$83	\$83	\$83	\$83	\$83
Total Annual Employee Savings	\$327	\$396	\$534	\$489	\$558	\$586
Percent Saved	23.7%	28.7%	38.7%	35.4%	40.4%	42.5%

Employer Savings

Employer Savings @ \$115/mo. = \$1380/yr.

		Annual Salary \$102,000 or less	Annual Salary \$102,001 or more
FICA Savings (Social Security + Medicare)	Social Security	\$86	\$0
	Medicare	\$20	\$20
Total Annual Employer Savings		\$106	\$20
Percent Saved		7.65%	1.45%

The savings from monthly benefit levels below \$115 can be calculated proportionally.

In specific situations, further savings may result from other salary-linked costs such as unemployment, disability, retirement, workers compensation or wage taxes.

The Social Security tax limit (6.2% up to \$102,000 for 2008) also rises annually. Medicare is 1.45% with no limit.

*\$86 annual savings in employee Social Security tax also applies to singles in the 28% bracket with income below \$102,000, and for spouses earning less than \$102,000 in the 28%, 33% or 35% married brackets.

Consult tax advisor for specific advice.