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# Parking fees can now be deducted pre-tax from your paycheck [1]

July 1, 2020 by Employee Services [2]

Parking fees can now be deducted pre-tax as of 7/1/2020. In 2020, new legislation was passed that allowed employers to offer pretax parking for commuters. Now, the university will begin deducting these payments before taxes.

This change will affect the employee's parking deductions beginning with the first paycheck issued after July 1st. Pretax deductions lower your taxable income, and thus your tax liability, by the amount of the deduction, similar to health and retirement deductions.

**Employees who pay for parking will receive an email from your campus' parking authority about campus-specific processes, deductions suspended during COVID-19 and more.**

**If you do not want pretax deductions for your July paycheck,** you have the option to opt-out and continue having fees taken out after taxes. Employees can always switch between pre-tax and after-tax per your campus parking guidelines. To switch between post-tax and pre-tax deductions, you must request that change by the deadline set by your campus for it to take effect for the next deduction.

Please keep an eye out for this email, and reach out to your campus parking authority to learn more and opt out.

HCM [3], payroll [4]
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