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Pretax Parking [1]

Parking fees can now be deducted pre-tax as of July 1, 2020.

In 2020, new legislation allowed employers to offer pretax parking for commuters. Now, the University of Colorado will begin deducting these payments before taxes.

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

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

Groups audience:
Employee Services
Right Sidebar:
ES: Payroll Contact
Sub Title:
CU parking fees will be deducted pretax

Source URL:https://www.cu.edu/employee-services/payroll/taxes/pretax-parking

Links
[1] https://www.cu.edu/employee-services/payroll/taxes/pretax-parking