



A bold voice for transportation workers

January 27, 2014

Senator Max Baucus
Chairman
219 Dirksen Senate Office Building
Washington, DC 20510-6200

Senator Orrin Hatch
Ranking Member
219 Dirksen Senate Office Building
Washington, DC 20510-6200

Dear Chairman and Ranking Member:

As the leaders of the committee of jurisdiction on tax issues, we urge you to support efforts to restore the public transportation tax benefit which was unfairly and dramatically decreased by almost 50 percent at the beginning of this year. Collectively, our unions represent tens of thousands of workers on the front-lines of operating, maintaining and servicing the nation's commuter operations.

The federal transit tax benefit allows employers to use pre-tax dollars to pay for their employees' transit expenses. This program benefits employees and employers alike, reducing payroll taxes paid by businesses by about \$225 annually per worker and saving commuters as much as \$2,940 annually on their transit costs. We have always supported this benefit as a necessary tool for ensuring all Americans have access to safe and affordable commutes.

Unfortunately, on January 1, the transit portion of the commuter benefit was drastically cut from \$245 to \$130 when Congress failed to enact new legislation to extend the program. In contrast, the parking benefit increased to \$250. This disparity makes no sense and runs counter to the promotion of a multimodal transportation system. Furthermore, the snap-back in transit benefits increases taxes on employees and employers that utilize the program and discourages Americans from riding public transportation whether they use buses, trains or ferries for their daily commutes.

Transportation Trades Department, AFL-CIO

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Edward Wytkind, President / Larry I. Willis, Secretary-Treasurer



At a time when many Americans spend more on transportation costs than health care, education, or food, the transit benefit is extremely important, not only to workers but to employers and the entire economy. We urge you to take swift action and extend the federal transit benefit as soon as possible.

Sincerely,

Amalgamated Transit Union (ATU)
American Federation of Government Employees (AFGE)
American Federation of State, County and Municipal Employees (AFSCME)
American Federation of Teachers (AFT)
Brotherhood of Railroad Signalmen (BRS)
International Brotherhood of Electrical Workers (IBEW)
National Conference of Firemen and Oilers, SEIU (NCFO, SEIU)
SMART-Transportation Division
Transport Workers Union of America (TWU)
Transportation Communications Union/ IAM (TCU)
Transportation Trades Department, AFL-CIO (TTD)
UNITE HERE!

cc: Members of the Senate Finance Co