

2018 Seattle City Council Green Sheet

Ready for Notebook

Tab	Action	Option	Version
38	1	A	1

Budget Action Title: Add \$200,000 to SDOT for Pre-Tax Transit Benefit Program education and outreach

Ongoing: No

Has CIP Amendment: No Has Budget Proviso: No

Primary Sponsor: O'Brien, Mike

Councilmembers: Bagshaw; Johnson

Staff Analyst: Calvin Chow

Council Bill or Resolution:

Date		Total	SB	KH	LG	BH	LH	RJ	DJ	MO	KS
	Yes										
	No										
	Abstain										
	Absent										

Summary of Dollar Effect

See the following pages for detailed technical information

	2017 Increase (Decrease)	2018 Increase (Decrease)
<b>General Subfund</b>		
General Subfund Revenues	\$0	\$0
<u>General Subfund Expenditures</u>	<u>\$0</u>	<u>\$0</u>
Net Balance Effect	\$0	\$0
<b>Other Funds</b>		
Transportation Operating Fund (10310)		
Revenues	\$0	\$200,000
<u>Expenditures</u>	<u>\$0</u>	<u>\$200,000</u>
Net Balance Effect	\$0	\$0
<b>Total Budget Balance Effect</b>	<b>\$0</b>	<b>\$0</b>

Budget Action description:

This green sheet would add \$200,000 in one-time Commercial Parking Tax for the Seattle Department of Transportation (SDOT) to contract for outreach and assistance to businesses to establish Pre-Tax Commuter Benefit programs.

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The Internal Revenue Code Section 132(f) authorizes pre-tax commuter programs, which allows employers to offer a tax-free transit subsidy up to \$255 per employee per month for buses, light rail, ferry, water taxi, and vanpool. This program allows employers to save up to 9% on that spending in payroll taxes, and employees save between 25% and 40% on their commute expenses.

Pre-Tax Transit Benefits are a generally cost-neutral (and often revenue-positive) way for businesses to reduce the burden of commuting for their employees. These benefits also encourage transit use, which helps reduce traffic congestion and greenhouse gas emissions. However, many businesses do not take advantage of this program due to perceived complexities in establishing and administering this program.

This green sheet provides funding for SDOT to contract for outreach and education services from organizations such as Commute Seattle. This green sheet anticipates the contract would support at least two staff members for this work.

This green sheet assumes reductions in Commercial Parking Tax spending as described in GS 37-1-A-1. If GS 37-1-A-1 is not approved, an alternate source of funding would need to be identified.

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Budget Action Transactions

Budget Action Title: Add \$200,000 to SDOT for Pre-Tax Transit Benefit Program education and outreach

#	Transaction Description	Position Title	Number of Positions	FTE	Dept	BCL or Revenue Source	Summit Code	Fund	Year	Revenue Amount	Expenditure Amount
1	Add \$200,000 for Pre-Tax Commute Benefit outreach and assistance				SDOT	Mobility-Operations	17003	10310	2018		\$200,000
2	Use of Commercial Parking Tax				SDOT	Commercial Parking Tax	416310	10310	2018	\$200,000	