

## Bill Would Mandate Employers Provide Transit Commuter Benefit Program

On Thursday, April 21, Councilmember Gym introduced a bill in Philadelphia City Council that would require private-sector employers with more than 50 employees to offer a transit tax benefit to their employees. As proposed, the legislation exempts the city and other governmental entities from providing this benefit to public employees. A covered employer would have the option of establishing a pre-tax, payroll deduction for mass transit expenses; an employer-paid benefit with the employer supplying transit passes or fares for mass transit; or a combination of these two options. Employers must also offer a tax-free reimbursement for certain bike expenses for bike commuters.

Councilmember Gym stated that this would cut workers' federal income tax bill by an average of at least \$200 annually. Employees qualify for receiving this benefit if they work at least 30 hours a week.

If this bill is passed by council and signed by the mayor, Philadelphia would be one of the first major cities in America to require employers offer this benefit. The effective date of the bill in its current form is December 31, 2022.

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**Please contact a member of the Philadelphia Public Strategies team for more information.**



Joseph Hill

**Managing  
Director, Cozen  
O'Connor  
Public  
Strategies**

jhill@cozen.com  
Phone: (215) 665-2065  
Fax: (215) 665-2013



Brianna A. Westbrook

**Government  
Relations  
Associate,  
Cozen O'Connor  
Public  
Strategies**

bwestbrooks@cozen.com  
Phone: (215) 665-4757  
Fax: (215) 665-2013

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