



OFFICE OF THE EXECUTIVE VICE PRESIDENT—
CHIEF FINANCIAL OFFICER

OFFICE OF THE PRESIDENT
1111 Franklin Street, 6th Floor
Oakland, California 94607-5200

November 21, 2018

CONTROLLERS


Subject: Revised Pretax Transit and Van pool Monthly Limits for 2019

The University's pretax deduction limit for the value of transit passes and van pool expenses will change in 2019. The Internal Revenue Service issued Revenue Procedure 2018-57 on November 15, 2017. The monthly limitation under IRC Section 132(f) (2) (A) and 132 (f) (2) (B) regarding the fringe benefit exclusion has increased \$5 per month.

Accordingly, the Federal limit for pretax transit and van pool expenses paid by payroll deduction will increase from \$260 per month to \$265 per month. The pretax deduction limit of \$265 will also apply for parking expenses. These pretax limits also apply for purposes of California income tax withholding.

Business and Finance Bulletin G-41: Employee Non-Cash Awards and Other Gifts will be updated to reflect the \$265 per-person limit for an employee recognition award of either a one-month transit or parking permit pass after the thirty day notice to the unions has completed.

If you have any questions, please call John Barrett at (510) 987-0903.


Peggy Arrivas
Associate Vice President-
Systemwide Controller

cc: Executive Vice President--CFO Brostrom
Executive Vice President --COO Nava
Provost Brown
Vice President Duckett
Vice Chancellors—Administration
Vice President Budil
Vice President Humiston
Executive Director Kalmijn
Payroll Directors
Accounts Payable Directors
Manager Barrett