

HOUSE RESEARCH

Bill Summary

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Subject: Transit pass refund for tax-exempt organizations

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Overview

Provides for tax-exempt organizations to receive a refund equal to 30 percent of the amount paid for transit passes provided to their employees.

Section

- 1 Transit pass refund.** Provides for organizations that are exempt from income tax to receive a refund equal to 30 percent of the amount paid for transit passes provided to their employees, net of any amounts charged to the employees. Under present law, employers subject to income tax may claim a credit equal to 30 percent of the amount paid for transit passes, net of any amounts charged the employees.

Directs the commissioner to prescribe how the refund will be claimed, allows the commissioner to set a minimum amount of expenses that must be incurred before a refund is paid, and requires the commissioner to pay refunds at least quarterly. Appropriates money to pay the refunds.

Effective for transit passes purchased after June 30, 2007.