BEATRICE CARDONA
WEN TANG

Re: Release: R2058
Service Request: 83840
Programs: None
Copy Members: None
Include Members: None
DDL Members: None
Bind Members: None
CICS Maps: None
CICS Help: None
Forms: None
Table Updates: System Parameter Table (Control Table 01)
Urgency: Urgent (see Timing of Installation below)

This release addresses the following Service Request:

**Service Request 83840**

Service Request 83840 asks PPS to change the monthly limits for qualified transportation benefits exclusion for parking and transportation in a commuter highway vehicle and transit passes provided by an employer.

The Internal Revenue Service issued Revenue Procedure 2013-15 on January 11, 2013, which included the annual inflation adjustments for tax year 2013, to incorporate the tax rate schedules, and other tax changes from the recently passed American Taxpayer Relief Act of 2012.

For tax year 2013, the monthly limitation under IRC Section 132(f)(2)(A) regarding the aggregate fringe benefit exclusion amount for transit passes and transportation in a commuter highway vehicle is $245, up from $240 for tax year 2012. The monthly limitation under 132(f)(2)(B) related to the fringe benefit exclusion amount for qualified parking is also increased to $245, from $240. Please note that the $240 limit for qualified transit passes, effective January 1, 2012, was increased from $125 retroactively as part of the Tax Reform Act of 2012, which was signed into law in early January, 2013. Previous law in effect during calendar year 2012 held that the pretax transit limit was $125.

**Table Updates**

System Parameter Table

SR83840 has provided 2013 rate changes for parking (076 FED and 077 SWT) and the commuter vehicle and transit pass (078 FED and 079 SWT.).

**Installation Instructions**

Execute PPP004 to update the following DB2 CTL table with release transactions.

- System Parameter Table (01) –Use the transactions in CARDLIB (PRMPPROD).
Please review the transactions carefully. Table entries for Parameter numbers 1 -299 are reserved for Base. Table entries for parameter numbers 300 – 369 are reserved for the campus.

**Timing of Installation**

The timing of this release is **Urgent**.

The rate changes were effective January 1, 2013. Campuses must implement these changes as soon as possible in year 2013. As usual, campuses are encouraged to install this release in as timely a fashion as possible and in the normal numeric sequence. As always, these updates should be applied to production data only as approved by your campus Payroll Manager. Functional questions regarding the Tax Year Control Table Updates should be addressed to Marcia Johnson of Payroll Coordination and Tax Services at (510) 987-0944 or Marcia.Johnson@ucop.edu. For technical questions, please send electronic mail to Nadine.Schumaker@ucop.edu, or call (510) 587-6108.

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