

**TOLEDO-LUCAS COUNTY HEALTH DEPARTMENT  
PARKING STIPEND / REIMBURSEMENT  
BONA FIDE REIMBURSEMENT PLAN**


Toledo-Lucas County Health Department negotiated with Ohio Nurses Association (ONA) and Local 7 AFSCME (AFL-CIO) Ohio Council 8 (AFSCME) collective bargaining units to pay an annual parking reimbursement / stipend of \$240 to qualified employees. Parking reimbursement started in May of 2015 and to be paid in 2016 and 2017. The amount paid in 2015 is prorated to \$160 and \$240 is to be paid in 2016 and 2017.

Parking reimbursement / stipend is gross income, unless it qualifies as a fringe benefit.

Section 132(f)(3) of the Internal Revenue Code (Certain Fringe Benefits) provides that a qualified transportation fringe includes a cash reimbursement by an employer to an employee for a qualified parking expenses. The reimbursement must be made under a *bona fide* reimbursement arrangement within the meaning of the IRC Section 132. Under the *bona fide* reimbursement arrangement the employee must substantiate to the employer within a reasonable period of time that an expense for parking has been paid.

Toledo-Lucas County Health Department, as the employer, is establishing a *bona fide* reimbursement plan. The employer is implementing a reasonable procedure to ensure that an amount equal to the reimbursement was incurred for qualified parking. The expense must be substantiated with a reasonable period of time. An employee certification at the time of reimbursement in a written form may be reasonable reimbursement procedure.

An employee must present to the employer a parking expense receipt for parking near the employer's business premises, the employee must certify that the parking was used by the employee, and the employer has no reason to doubt the employee's certification. If a receipt is not provided in the ordinary course of business (ie: metered parking, lot for daily use without receipt), the employee certifies to the employer the type and the amount of expense incurred, and the employer has no reason to doubt the employee's certification. Parking expenses must be substantiated within 180 days after it has been paid. Receipts of incurred parking expense and certifications are to be submitted to Supervisor-Personnel Services Fiscal Administration (Tina Stokes). Once the parking reimbursement / stipend reached the \$160 for 2015 and \$240 for fiscal years 2016 and 2017, then the employee's taxable reimbursement will become a non-taxable fringe benefit.



Health Commissioner



HR Director



Deputy Health Commissioner



Director of Administrative Services / CFO

5-13-2015

Date