

111TH CONGRESS
2D SESSION

H. R. 5129

To amend the Internal Revenue Code of 1986 to treat carsharing and ride-sharing reimbursement arrangements as qualified transportation fringe benefits.

IN THE HOUSE OF REPRESENTATIVES

APRIL 22, 2010

Mr. HODES (for himself and Mr. CARNAHAN) introduced the following bill;
which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to treat carsharing and ridesharing reimbursement arrangements as qualified transportation fringe benefits.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. TREATMENT OF RIDESHARING REIMBURSE-**
4 **MENT ARRANGEMENTS AS QUALIFIED**
5 **TRANSPORTATION FRINGE BENEFITS.**

6 (a) IN GENERAL.—Paragraph (1) of section 132(f)
7 of the Internal Revenue Code of 1986 is amended by add-
8 ing at the end the following:

1 “(E) Any qualified carsharing or ride-
2 sharing reimbursement.”.

3 (b) LIMITATION ON EXCLUSION.—Subparagraph (A)
4 of section 132(f)(2) of such Code is amended by striking
5 “subparagraphs (A) and (B)” and inserting “subpara-
6 graphs (A), (B), and (E)”.

7 (c) QUALIFIED RIDESHARING REIMBURSEMENT DE-
8 FINED.—Paragraph (5) of section 132(f) is amended by
9 adding at the end the following:

10 “(G) QUALIFIED CARSHARING OR RIDE-
11 SHARING REIMBURSEMENT.—

12 “(i) IN GENERAL.—The term ‘quali-
13 fied carsharing or ridesharing reimburse-
14 ment’ means, with respect to transpor-
15 tation provided in a qualified highway vehi-
16 cle, reimbursement described in clause (iv)
17 under which a passenger, using an elec-
18 tronic transfer of funds or similar mecha-
19 nism, pays for costs associated with travel
20 to and from a residence for the purposes of
21 getting to and from a place of employment.

22 “(ii) LIMITATION.—The amount taken
23 into account under clause (i) with respect
24 to any transportation shall not exceed the
25 costs directly associated with travel to and

1 from a residence and a place of employ-
2 ment.

3 “(iii) QUALIFIED HIGHWAY VEHI-
4 CLE.—The term ‘qualified highway vehicle’
5 means a highway vehicle which has a seat-
6 ing capacity of more than 1 but not more
7 than 8 adults, excluding taxi-cabs, lim-
8 ousines, and other for-hire vehicles.

9 “(iv) REIMBURSEMENT.—Reimburse-
10 ment is described in this clause if the reim-
11 bursement is by cash, voucher, or similar
12 item.

13 “(v) DETERMINATION OF COSTS.—
14 For purposes of clause (i), costs shall be
15 determined in accordance with regulations
16 or other guidance prescribed by the Sec-
17 retary in consultation with the Secretary of
18 Transportation.

19 “(vi) SUBSTANTIATION.—Clause (i)
20 shall not apply to any transportation un-
21 less the taxpayer substantiates the length
22 of such transportation through the use of
23 global positioning satellite technology or
24 other means of substantiation as author-
25 ized by the Secretary.”.

1 (d) COORDINATION WITH BICYCLE COMMUTING.—
2 Subclause (II) of section 132(f)(5)(F)(iii) of such Code
3 is amended by striking “or (C)” and inserting “(C), or
4 (D)”.

5 (e) INFLATION ADJUSTMENT FREEZE.—Paragraph
6 (6) of section 132(f) of such code is amended by adding
7 at the end the following:

8 “(C) INFLATION ADJUSTMENT FREEZE.—
9 The inflation adjustment mentioned in this
10 paragraph shall not be made for taxable years
11 2011 through 2021.”.

12 (f) EFFECTIVE DATE.—The amendments made by
13 this section shall apply to taxable years beginning after
14 December 31, 2010.

○