

118TH CONGRESS
2D SESSION

S. 5525

To allow for one-time distributions from certain transportation fringe benefit accounts.

IN THE SENATE OF THE UNITED STATES

DECEMBER 12, 2024

Mrs. GILLIBRAND (for herself and Mr. SCHUMER) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To allow for one-time distributions from certain transportation fringe benefit accounts.

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. SHORT TITLE.**

4 This Act may be cited as the “COVID–19 Commuter
5 Benefits Distribution Act”.

1 **SEC. 2. TREATMENT OF CERTAIN DISTRIBUTIONS FROM**
2 **TRANSPORTATION FRINGE BENEFIT AC-**
3 **COUNTS.**

4 (a) IN GENERAL.—In the case of any qualified pay-
5 ment from a specified transportation fringe benefit ac-
6 count—

7 (1) such qualified payment shall be includible in
8 the gross income of the employee for the taxable
9 year in which such qualified payment is made, and

10 (2) the determination of whether any other pay-
11 ment from such account is a qualified transportation
12 fringe for purposes of section 132 of the Internal
13 Revenue Code of 1986 shall be determined without
14 regard to such qualified payment.

15 (b) QUALIFIED PAYMENT.—For purposes of this sec-
16 tion, the term “qualified payment” means a one-time pay-
17 ment made during the 6-month period beginning on the
18 date of the enactment of this Act from a specified trans-
19 portation fringe benefit account to the employee for whose
20 benefit such account is maintained but only to the extent
21 that such payment does not exceed the highest balance
22 of such account during the period beginning on March 13,
23 2020, and ending on December 31, 2023.

24 (c) SPECIFIED TRANSPORTATION FRINGE BENEFIT
25 ACCOUNT.—For purposes of this section, the term “speci-
26 fied transportation fringe benefit account” means, with re-

1 spect to any employee, amounts set aside by such employ-
2 ee's employer under a compensation reduction agreement
3 which—

4 (1) provides for payments to such employee of
5 amounts which are excludible under section 132 of
6 the Internal Revenue Code of 1986 as a qualified
7 transportation fringe (determined after the applica-
8 tion of subsection (a)), and

9 (2) provides that unused amounts at the end of
10 a month may be carried forward to the succeeding
11 month (subject to such requirements or limitations
12 as such agreement, the Secretary of the Treasury, or
13 the Secretary's delegate, may provide).

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