

TAXSAVER COMMUTER TICKET SCHEME (BUS / RAIL / LUAS)

As an incentive to encourage the use of public transport, legislation was introduced in the Finance Act 1999 which allowed an employer to incur the expense of providing an employee with an annual bus/rail/luas pass, without the employee being liable for benefit-in-kind taxation. This has become known as the Travel Pass or TaxSaver Commuter Ticket Scheme. This is repaid by you by way of a salary sacrifice agreement (the cost of the ticket is deducted from your gross pay) in which you pay for it, tax / prsi / usc free, over 12 months. Depending on the rate of tax you usually pay on your salary, this will result in you saving between 31% and 52% on the cost of the ticket. Eg If your gross pay is reduced by €1000, your reduction in net pay (actual cost to you) will be between €480 (if you pay tax at the marginal (high) rate) and €690 (if you pay tax at the standard (low) rate).

To avail of this scheme, you will need to do the following:

As your ticket needs to be ordered on-line, please email Katherine Sheehan (katherine.sheehan@gcd.ie) in the accounts office who will order this for you. You can commence the use of an annual ticket at any time during the year (from the 1st of the month), and the 12 months will commence from this date. All orders must be in with the relevant company by the 18th of the previous month, in order to be issued on time, although for tickets that commence on 1st January each year, they require orders by early December. Please allow a few days prior to this for Katherine to order it for you. You will need to provide her with the following:

1. The name of the transport company (ie Bus Eireann / Dublin Bus / Luas).
2. The exact name of the ticket required (eg Bus only / Bus & Rail, etc). This can be obtained from their various websites. Katherine will confirm the price with you before ordering to ensure she is ordering the correct ticket for you.
3. If you have previously held an annual ticket and already have an ID number, please provide this number.
4. Most companies require a digital photo of you to be uploaded with the order, so you will need to email this to her.

5. Complete a salary sacrifice form (Katherine will email this to you once you request that a ticket be ordered for you) and return to her. You are signing this form to authorise the college to reduce your wages for the full cost of the ticket over 12 months.

6. The ticket will be delivered to Katherine, who will contact you when it arrives and arrange for you to collect it.

Katherine will then deduct the cost of the ticket from your wages evenly over the following 12 months. This is displayed as a separate item on your payslip, also showing the remaining balance to be deducted.

If you leave employment or cancel the ticket during these 12 months, you are penalised by Dublin Bus / Iarnrod Eireann. Griffith must pass this penalty onto you, to ensure they recoup from you the exact amount paid out for the ticket. Furthermore, if you lose your ticket and need a replacement, you should contact the provider directly to organise this. There is a substantial charge for this, which you must pay to the provider directly, as Revenue do not allow this charge to be included in the salary sacrifice agreement, therefore you should treat your ticket as a valuable commodity.

You may also not be aware but a lot of private coaches are authorised by Revenue to operate the tax saver scheme. If you currently travel to work by a private coach and wish to avail of this scheme, please contact Katherine who will confirm with Revenue if the company is registered under the scheme, and assist you with what steps are involved.