

Do You Want to STOP Paying Income Taxes on your ODU Parking Fees?

Old Dominion University's Payroll Office and the Office of Parking Services are pleased to offer a new plan that allows teaching/research faculty on 24 pays and AP faculty and classified staff to pay their parking fees on a pre-tax basis. The plan is effective October 1, 2009 and will reduce your federal, state and social security taxes so that you will have more take-home pay!

Here are two examples of the savings based on an employee who has taxes withheld at the Married rate with one allowance.

EXAMPLE 1: Annual Salary \$24,000: \$1,000 earnings each pay period

Without pre-tax parking:		With pre-tax parking	
Earning each pay period	\$1000.00	Earnings each pay period	\$ 1000.00
Tax Withholdings	- 132.69	Parking Fee	- 11.46
Parking Fee	- 11.46	Taxable Income	\$ 988.54
Net Take Home Pay	\$ 855.85	Tax Withholdings	\$ - 130.67
		Net Take-Home Pay	\$ 857.87

Savings Per Paycheck **\$ 2.02**
Annual Savings **\$ 48.48**

EXAMPLE 2 Annual Salary \$50,000: \$2,083 earnings each pay period

Without pre-tax parking:		With pre-tax parking:	
Earning each pay period	\$2083.00	Earnings each pay period	\$2083.00
Tax Withholdings	- 432.44	Parking Fee	- 15.50
Parking Fee	- 15.50	Taxable Income	\$2067.50
Net Take Home Pay	\$ 1635.06	Tax Withholdings	\$ -427.93
		Net Take-Home Pay	\$1639.57

Savings Per Paycheck **\$ 4.51**
Annual Savings **\$ 108.24**

To participate in the program during the initial enrollment period, please complete the Salary Reduction Agreement (link below) and return it to the ODU Parking Services no later than September 22, 2009. You may discontinue participation at any time by completing a new salary reduction agreement.

http://www.odu.edu/af/finance/facultystaff/disbursements_processing/payroll/pretaxparking_salary_reduction_agreement.pdf

For more information contact:

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