

NEWS BRIEF

Report Finds That Commuter Benefits May Help Employees Return to Office



A recent report by transit benefit vendor Jawnt found that commuter benefits may help encourage employees to return to the office. With more employers pushing for in-person work, many organizations are struggling to motivate their staff.

The study, which surveyed over 400 HR professionals, revealed how these benefits might impact return-to-office (RTO) initiatives. As companies continue to navigate the challenges of post-COVID-19-pandemic work arrangements, incentives such as commuter benefits could prove to be a valuable tool.

Commuter benefits, also known as transportation benefits, are perks offered to employees to help offset the costs associated with traveling to and from work. These benefits typically include pre-tax deductions for transit fares or parking expenses. For 2024, the IRS allows employers to exclude up to \$315 of qualified parking or transportation expenses per month from taxable income. The agency has not yet announced the 2025 limit.

"The only way to offer a best-in-class commuter benefits experience is to genuinely understand our users—not just assume their needs."

-Jeff Stade, CEO and co-founder of Jawnt

Survey Highlights

The survey highlighted several key findings:

- More than one-third of respondents said that commuter benefits helped encourage employees to return to the office.
- Around 65% of respondents cited saving employees money as a top value proposition for commuter benefits.
- Around 32% mentioned encouraging return to office and reducing commute times as key benefits.
- The majority of surveyed companies offer some form of commuter benefit.
- Employers saw additional advantages from offering commuter benefits, including meeting environmental goals and acquiring and retaining talent.

Employer Takeaway

As companies continue to navigate the complexities of RTO policies, commuter benefits emerge as a potential tool to ease the transition. By addressing employees' commuting concerns and offering financial incentives, these benefits may help bridge the gap between employer RTO goals and employee preferences for flexible work arrangements.

Employers considering implementing or enhancing commuter benefit programs should carefully weigh the potential advantages against the challenges, and tailor their offerings to the unique needs of their workforce and location. Contact us today for more resources.

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