

112TH CONGRESS  
1ST SESSION

# S. 924

To amend the Internal Revenue Code of 1986 to provide commuter flexible spending arrangements, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

MAY 9, 2011

Mr. BEGICH introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to provide commuter flexible spending arrangements, and for other purposes.

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 “Family Account to  
5 Save on Transportation Act of 2011”.

6 **SEC. 2. TRANSPORTATION FLEXIBLE SPENDING ARRANGE-**  
7 **MENTS.**

8 (a) IN GENERAL.—Section 125 of the Internal Rev-  
9 enue Code of 1986 (relating to cafeteria plans) is amended  
10 by redesignating subsections (k) and (l) as subsections (l)

1 and (m), respectively, and by inserting after subsection (j)  
2 the following new subsection:

3 “(k) TRANSPORTATION FLEXIBLE SPENDING AR-  
4 RANGEMENT.—

5 “(1) IN GENERAL.—Notwithstanding subsection  
6 (f), qualified transportation fringe shall be treated  
7 during the 2-taxable year period beginning after the  
8 date of the enactment of this subsection as a quali-  
9 fied benefit for purposes of this section to the extent  
10 provided under a flexible spending arrangement (as  
11 defined in section 106(c)).

12 “(2) QUALIFIED TRANSPORTATION FRINGE.—  
13 For purposes of this subsection, the term ‘qualified  
14 transportation fringe’ has the meaning given such  
15 term by section 132(f), except that paragraph (1)(A)  
16 thereof shall be applied for any month immediately  
17 preceded by a 4-month period during which the na-  
18 tional average regular gasoline retail price (cal-  
19 culated by the Energy Information Administration)  
20 exceeds such price for calendar year 2010, by sub-  
21 stituting ‘or personal vehicle fuel cost if such trans-  
22 portation or fuel cost’ for ‘if such transportation’.”.

23 (b) MODIFICATION OF REGULATIONS.—The Sec-  
24 retary of the Treasury shall make such modifications to  
25 Treasury Regulations under section 125 of the Internal

1 Revenue Code of 1986 as may be necessary to allow quali-  
2 fied transportation fringe (as defined in section 125(k)(2)  
3 of such Code) to be offered through a flexible spending  
4 arrangement in a cafeteria plan.

5 (c) EFFECTIVE DATE.—The amendments made by  
6 this section shall apply to taxable years beginning after  
7 the date of the enactment of this Act.

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