

**Tax Tip**  
**Week of January 5, 2009**

**Non-Taxable Transportation To and From Work**

If an employer pays for an employee's transportation to or from work, the individual would normally receive a taxable benefit equal to the amount of the payment. There are two exceptions to this rule:

- 1) if there are times when public and private transportation are not practical and the employer has security or other concerns, transportation may be provided without a taxable benefit accruing to the employee; or
- 2) part time employees can receive either a reasonable allowance or a reimbursement of traveling to and from a job if they are able to meet the following criteria:
  - the employee and the employer are dealing at arm's length
  - during the period of part time employment, the individual had either other employment or carried on a business
  - the employee did the duties at a location no more than 80 kilometres from both the employee's home and principal place of employment