U.S. Department of Transportation
Office of the Secretary of Transportation

TRANSERVE

TSB 2027-03 Non-DOT Transit Benefit Increase to $350

NON-DOT TRANSIT BENEFIT PROGRAM BULLETIN

BULLETIN: TSB 2027-03

DATE: November 10, 2026

SUBJECT: Transit Benefit Monthly Statutory Limit Increase to $350

PURPOSE: This bulletin provides notification and guidance regarding a change in the statutory limit of the monthly transit benefit for calendar year 2027.

INFORMATION: Effective January 1, 2027, the maximum mass transit exclusion from income has been set by the Internal Revenue Service (IRS) at $350. IRS https://www.irs.gov/pub/irs-drop/rp-26-35.pdf 3.18 provides the relevant information on the transit benefit rules under Internal Revenue Code Section 132 (f).

REQUIRED ACTION: Notify TRANServe of your agency's timeline for implementing the statutory limit increase and ensure participants certified monthly commuting costs are current.

If the January 2027 increase is authorized by your agency, TRANServe must be notified by close of business on Friday, November 27, 2026. TRANServe **can** adjust the transit benefit up to the monthly maximum statutory limit of $350 for the transit benefit beginning with the January 2027 benefit cycle. Requests received after this deadline will be considered for the next available monthly benefit cycle, subject to that cycle's established submission deadline and funding requirements. Requests will continue to be reviewed on a rolling monthly basis.

CONTACT: If you have questions about this bulletin, please contact TRANServe.