



**Maynooth University  
Human Resources  
Office**

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# **Travel Pass Scheme**

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# Maynooth University Travel Pass Scheme

## About the Travel Pass scheme

The travel pass scheme is a tax effective scheme which allows eligible employees of Maynooth University to purchase an annual bus, rail, or Luas ticket through the University and save on their travel costs as a result of tax and PRSI benefits.

Introduced by the Government to incentivise the use of public transport to and from work, the scheme is operated by TaxSaver ([www.taxsaver.ie](http://www.taxsaver.ie)). Maynooth University is a participating employer in the scheme and can purchase annual tickets on behalf of employees. The cost of the ticket is deducted directly from the employee's salary and savings can be made off the regular ticket price, depending on the ticket type and the employee tax circumstances.

## Revenue requirements of the scheme

Salary sacrifice by an employee in lieu of the provision of a travel pass by an employer will be acceptable to the Office of Revenue Commissioners as being effective for tax purposes under the following conditions:

- There must be a bona fide and enforceable alteration to the terms and conditions of employment, i.e., exercising a choice of benefit instead of salary.
- The alteration must not be retrospective and must be evidenced in writing.
- There must be no entitlement to exchange the benefit for cash.
- The choice exercised (benefit instead of cash) cannot be made more frequently than once a year, and then only with the consent of the employer.
- The choice exercised must be irrevocable for the relevant year for which it is made.

The salary sacrifice will have no impact on pension contributions or on pension benefits.

## Benefits of the scheme

Because the non-taxable benefit replaces the salary foregone, an employee will not be liable to tax, PRSI, income levy or pension related deduction on the cost of the travel pass provided by an employer. The scheme underpins Government policy on the wider use of public transport.

## Eligibility

1. To be eligible to participate in this scheme an employee must be either:
  - (a) A permanent member of staff; or
  - (b) An employee who has at least one years' contract of employment remaining with the University, and whose annual salary can be pre-determined.
2. The Scheme applies only to annual rail / bus passes issued by Iarnród Eireann, Bus Eireann and / or Dublin Bus.

## **Application Process**

1. Employees who wish to participate in the Scheme must be eligible to do so.
2. All applicants must complete a [Travel Pass Scheme Application Form](#) and submit to Human Resources ([humanresources@mu.ie](mailto:humanresources@mu.ie)) no later than the first Friday of the month before ticket commencement.
3. The University will then purchase the Travel Pass on the employee's behalf in exchange for the employee 'sacrificing' the commensurate value from their annual basic salary in lieu.
4. Employee's participating in the scheme must e-mail a digital photograph of themselves (taken from the shoulders up) to [humanresources@mu.ie](mailto:humanresources@mu.ie). If you have already supplied this photograph on previous occasions, it will not be necessary for you to forward it again.
5. Travel Passes issued as part of this Scheme will commence from 1<sup>st</sup> of the month in which the ticket commences and will be valid for travel for a one-year period.
6. Deductions from salary will commence in the month in which the ticket becomes valid.
7. For the Scheme to be able to satisfy the Revenue Commissioners requirements for salary sacrifice, the Scheme operates on an annual basis. Accordingly, participants in the Scheme are only able to cancel their participation at the expiry of the one-year period.
8. A new application will be required in respect of each subsequent year of participation. It is the responsibility of the employee to manage the renewal of their tickets in a timely manner and to keep their profile updated of any change in details or circumstances.
9. An employee, who terminates their employment prior to the expiry of their twelve-month agreement, will have the outstanding Travel Pass balance deducted from their final salary or any other monies due. In the event of insufficient monies being available to meet the debt in full, the individual will personally reimburse Maynooth University.

## **Additional Information**

1. Maynooth University accepts no liability or responsibility in the case of lost or unused travel passes (transport providers may replace lost passes at a fee), or in the case of any injury that the employee may incur while using the travel pass.
2. The Scheme will have no impact on pension contributions or on pension benefits.
3. In the case of resignation / termination of employment, it is possible for individuals to claim a refund directly from Iarnród Eireann, Bus Eireann or Dublin Bus subject to the general conditions of the scheme. However, please note that the refund will be based on the 'monthly' cost of ticket and not the 'annual' cost.