

Part III - Administrative, Procedural, and Miscellaneous

Qualified Transportation Fringes

Notice 2008-74

The purpose of this notice is to delay the effective date of Revenue Ruling 2006-57, 2006-2 C.B. 911. Revenue Ruling 2006-57 provides guidance to employers on the use of smartcards, debit or credit cards, or other electronic media to provide qualified transportation fringes under Internal Revenue Code §§ 132(a)(5) and 132(f). The ruling's effective date was set for January 1, 2008. In 2007, however, Treasury and the IRS became aware that certain transit systems needed additional time to modify their technology and make it compatible with the requirements for vouchers set forth in Revenue Ruling 2006-57. Consequently, Treasury and the IRS delayed the effective date of Revenue Ruling 2006-57 until January 1, 2009. See Notice 2007-76, 2007-40 I.R.B. 735. Certain transit systems continue to experience technology barriers to achieving compatibility with the requirements for vouchers. Therefore, the ruling's effective date is further delayed until January 1, 2010. Nevertheless, employers and employees may rely on Revenue Ruling 2006-57 with respect to transactions occurring prior to January 1, 2010. The principal author of this notice is Don M. Parkinson of the Office of Associate Chief Counsel (Tax Exempt & Government Entities). For further information regarding this notice, contact Don M. Parkinson at (202) 622-6040 (not a

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