To amend the Internal Revenue Code of 1986 to modify employer-provided fringe benefits for bicycle commuting.

IN THE HOUSE OF REPRESENTATIVES

Mr. BLUMENAUER introduced the following bill; which was referred to the Committee on ____________________

A BILL

To amend the Internal Revenue Code of 1986 to modify employer-provided fringe benefits for bicycle commuting.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Bicycle Commuter Act of 2019”.

SEC. 2. MODIFICATION OF EMPLOYER-PROVIDED FRINGE BENEFITS FOR BICYCLE COMMUTING.

(a) REPEAL OF SUSPENSION OF EXCLUSION FOR QUALIFIED BICYCLE COMMUTING REIMBURSEMENT.—
Section 132(f) of the Internal Revenue Code of 1986 is amended by striking paragraph (8).

(b) Commuting Fringe Includes Bikeshare.—

(1) In general.—Clause (i) of section 132(f)(5)(F) of such Code is amended by striking “a bicycle” and all that follows and inserting “bikeshare, a bicycle, and bicycle improvements, repair, and storage, if the employee regularly uses such bikeshare or bicycle for travel between the employee’s residence and place of employment or mass transit facility that connects an employee to their place of employment.”.

(2) Bikeshare.—Section 132(f)(5)(F) of such Code is amended by adding at the end the following:

“(iv) Bikeshare.—The term ‘bikeshare’ means a bicycle rental operation at which bicycles are made available to customers to pick up and drop off for point-to-point use within a defined geographic area.”.

(c) Low-Speed Electric Bicycles.—Section 132(f)(5)(F) of such Code, as amended by subsection (b)(2), is amended by adding at the end the following:

“(v) Low-speed electric bicycles.—The term ‘bicycle’ includes a two-
or three-wheeled vehicle with fully operable pedals and an electric motor of less than 750 watts (1 h.p.), whose maximum speed on a paved level surface, when powered solely by such a motor while ridden by an operator who weighs 170 pounds, is less than 20 mph.”.

(d) Modification Relating to Bicycle Commuting Month.—Clause (iii) of section 132(f)(5)(F) of such Code is amended to read as follows:

“(iii) Qualified bicycle commuting month.—The term ‘qualified bicycle commuting month’ means, with respect to any employee, any month during which such employee regularly uses a bicycle for a portion of the travel between the employee’s residence and place of employment.”.

(e) Limitation on Exclusion.—

(1) In general.—Subparagraph (C) of section 132(f)(2) of such Code is amended by striking “applicable annual limitation” and inserting “applicable monthly limitation”.

(2) APPLICABLE MONTHLY LIMITATION DEFINED.—Clause (ii) of section 132(f)(5)(F) of such Code is amended to read as follows:

“(ii) APPLICABLE MONTHLY LIMITATION.—The term ‘applicable monthly limitation’, with respect to any employee for any month, means an amount equal to 20 percent of the dollar amount in effect for the month under paragraph (2)(B).”.

(3) AGGREGATE LIMITATION.—Subparagraph (B) of section 132(f)(2) of such Code is amended by inserting “and the applicable monthly limitation in the case of any qualified bicycle commuting benefit”.

(f) NO CONSTRUCTIVE RECEIPT.—Paragraph (4) of section 132(f) of such Code is amended by striking “(other than a qualified bicycle commuting reimbursement)”.

(g) CONFORMING AMENDMENTS.—Paragraphs (1)(D), (2)(C), and (5)(F) of section 132(f) of such Code are each amended by striking “reimbursement” each place it appears and inserting “benefit”.

(h) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2018.