II

118TH CONGRESS
1ST SESSION

S. 1724

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

IN THE SENATE OF THE UNITED STATES

MAY 18, 2023

Mr. BROWN introduced the following bill; which was read twice and referred to the Committee on Finance

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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 2023’’.

SEC. 2. REINSTATEMENT AND EXPANSION OF EMPLOYER-PROVIDED FRINGE BENEFITS FOR BICYCLE COMMUTING.

(a) REPEAL OF SUSPENSION OF EXCLUSION FOR QUALIFIED BICYCLE COMMUTING BENEFITS.—Section

132(f) of the Internal Revenue Code of 1986 is amended by striking paragraph (8).

(b) EXPANSION OF BICYCLE COMMUTING BENEFITS.—Section 132(f)(5)(F) of such Code is amended to read as follows:

"(F) DEFINITIONS RELATED TO BICYCLE COMMUTING BENEFITS.—

"(i) QUALIFIED BICYCLE COMMUTING BENEFIT.—The term 'qualified bicycle commuting benefit' means, with respect to any calendar year—

"(I) any employer reimbursement during the 15-month period beginning with the first day of such calendar year for reasonable expenses incurred by the employee during such calendar year for the purchase (including associated finance charges), lease, rental (including a bikeshare), improvement, repair, or storage of qualified commuting property, or

"(II) the direct or indirect provision by the employer to the employee during such calendar year of the use (including a bikeshare), improvement, repair, or storage of qualified commuting property,

if the employee regularly uses such qualified commuting property for travel between the employee's residence, place of employment, a qualified parking facility, or a mass transit facility that connects the employee to their residence or place of employment.

"(ii) QUALIFIED COMMUTING PROPERTY.—The term 'qualified commuting property' means—

"(I) any bicycle (other than a bicycle equipped with any motor),

"(II) any electric bicycle,

"(III) any 2- or 3-wheel scooter (other than a scooter equipped with any motor), and

"(IV) any 2- or 3-wheel scooter propelled by an electric motor if such motor does not provide assistance if the speed of such scooter exceeds 20 miler per hour (or if the speed of such scooter is not capable of exceeding 20 miles per hour) and the weight of such scooter does not exceed 100 pounds.

"(iii) ELECTRIC BICYCLE.—The term 'electric bicycle' means a bicycle which is equipped with fully operable pedals, a saddle or seat for the rider, and an electric motor which is less than 750 watts, designed to provide assistance in propelling the bicycle, and—

"(I) does not provide such assistance if the bicycle is moving in excess of 20 miler per hour, or

"(II) if such motor only provides such assistance when the rider is pedaling, does not provide such assistance if the bicycle is moving in excess of 28 miles per hour.

"(iv) BIKESHARE.—The term 'bikeshare' means a rental operation at which qualified commuting property is made available to customers to pick up and drop off for point-to-point use within a defined geographic area.".

(c) LIMITATION ON EXCLUSION.—Section 132(f)(2)(C) of such Code is amended to read as follows:

"(C) 30 percent of the dollar amount in effect under subparagraph (B) per month in the case of any qualified bicycle commuting benefit.".

(d) NO CONSTRUCTIVE RECEIPT.—Section 132(f)(4) of such Code is amended by striking "(other than a qualified bicycle commuting reimbursement)".

(e) CONFORMING AMENDMENTS.—

(1) Section 132(f)(1)(D) of such Code is amended by striking "reimbursement" and inserting "benefit".

(2) Section 274(l) of such Code is amended by striking paragraph (2).

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2022.

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