

As Congress [wrangles](#) over the expiration of the payroll tax cut at the end of this month, environmentalists should note that the impacts of the expiration go beyond economics. Some environmental goodies will die with the soon-to-expire package of tax benefits, barring congressional action. For starters, I received this message in an email from my employer-sponsored transit benefit service, which allows me to purchase transit passes with \$230 worth of pre-tax income each year:

The temporary \$230 monthly pre-tax transit limit set by Congress in 2009 will expire at the end of 2011. Beginning with the January 2012 benefit month, the pre-tax transit limit will decrease to \$125 a month and any election amount over \$125 will be deducted from your pay on an after-tax basis. Beginning with the January 2012 benefit month, the monthly pre-tax limit for parking will increase from \$230 to \$240.

So we have the double-whammy of *discouraging* transit usage (and worse, making our transit-dependent population pay more in taxes) while simultaneously *encouraging* people to drive to work. Why don't we offset an *increase* in the transit tax benefit with a phase-out of the parking benefit? Transit usage benefits everyone by reducing traffic, wear-and-tear on infrastructure, and air pollution.

In addition, the expiring tax package also contains benefits for purchasers of energy efficient appliances, builders of energy efficient homes, businesses that invest in brownfield cleanup, and investors in biodiesel, among others. Businessweek has the full list of expiring credits [here](#).