

Compare Education Finance and Fringe Benefits

B E N E F I T T Y P E	Best For	Tax Benefit to Employee	Tax Benefit to Employer	Emotional/ Retention Value
529 Plan Savings Account	Planners	Grows tax-free, tax-free withdrawals for education	Varies by state (not federally deductible)	🔥 High
Student Loan Repayment	Employees with debt (esp. early- to mid-career)	Tax-free up to \$5,250/year	Tax-deductible (up to \$5,250/year under CARES Act)	🔥 Very high
Student Loan Retirement Match	Employees with debt + no retirement savings	Indirect tax benefit (match in 401k)	Same as retirement match (pre-tax deduction)	🔥 High
Tuition Reimbursement	Employees pursuing degrees/training	Tax-free up to \$5,250/year	Tax-deductible (up to \$5,250/year)	🔥 High
PSLF	Nonprofit or gov't org employees	Full tax-free forgiveness after 120 payments	No direct employer tax advantage	🔥 High in right orgs
Caregiving Stipend/Support	Employees with elder care or young kids	Taxable if not through dependent care FSA	Usually taxed unless through DC FSA	💛 Medium-High
Pet Insurance	Pet owners (often Millennial/Gen Z workers)	Usually taxable fringe benefit	Usually no tax advantage	🐾 Medium
Wellness Stipend	General employees (fitness, mental health)	Taxable unless under medical plan	Taxable unless tightly scoped	💪 Medium
Commuter Benefits	Urban employees or those with long commutes	Pre-tax savings on eligible expenses	Pre-tax up to \$315/month (2024)	🚗 Medium