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Compliance & Administration

## Dependent care information:

Under our Plan, you may use a portion of your compensation to fund a Dependent Care Flexible Spending Account. Your Dependent Care Flexible Spending account can reimburse you for your family's eligible out-of-pocket, work-related dependent day-care costs. In order for such expenses to be eligible for reimbursement: (1) the expense must be incurred for a work-related reason; (2) the care must be provided for a qualifying individual; and, (3) the expense must be paid to an eligible child care provider. Expenses are considered to be incurred for a "work-related reason" when the purpose of the expense is to provide care for an individual in your care during your hours of employment and:

- You are a single parent
- you have a working spouse
- your spouse is a full-time student for at least five months during the year while you are working
- your spouse is physically or mentally unable to provide for his or her own care
- you are divorced or legally separated and have primary custody of your child

### The federal maximums for 2021 are as follows:

- \$5,000 per family (or, \$2,500 per individual that is married but files tax returns separately)

### Sample Dependent care expenses: (for all Children under 13)

- Pre Kindergarten
- After and before school programs \*
- Licensed day care facilities
- In home day care
- Day care by non dependent relatives\*\*
- Summer day camps (**overnight camps not included**)

\*if the before or after school program is included in the school's tuition, reimbursement may not be received for this.

\*\*Day care is limited to children under the age of thirteen, elder dependents or a disabled spouse or dependent.

***Please note that expenses reimbursed under a Dependent Care Reimbursement Plan may not be taken as a credit on the participant's personal tax return. The participant should seek appropriate tax advice before electing Dependent Care Reimbursement***

**Critical Rule:** USE IT OR LOSE IT: Any money remaining in a participant's Dependent Care reimbursement account after the end of the Plan Year will be forfeited to the Plan.