

# DO YOU KNOW IF YOUR DEPENDENT CARE EXPENSES QUALIFY FOR FSA REIMBURSEMENT?

WE MAKE THE COMPLEX SIMPLE

The Dependent Care FSA allows you to use pretax dollars to pay for eligible expenses related to care for your child, disabled spouse, elderly parent, or other dependent who is physically or mentally incapable of self-care, so you (or your spouse) can work, look for work, or attend school full time. **Medical expenses for your dependent are not eligible for reimbursement under the Dependent Care FSA.**

**Eligibility for the dependent care benefit requires that certain criteria be met.**

1. The dependent care expenses must be work-related. The care must be necessary for the employee and/or the employee’s spouse to work, to look for work, or to attend school full-time, or if they are physically unable to care for their children.
2. The dependent care expenses provided during a calendar year cannot exceed \$5,000. In the case of a separate return by a married individual, the limit is \$2,500. This amount may be less if the employee’s earned income or spouse’s earned income is less than \$5,000.

**The dependent care expenses must be for the care of one or more qualifying persons.**

**A “Qualifying Person” is defined as one of the following:**

1. A dependent who was under age 13 when the care was provided and for whom an exemption can be claimed.
2. A spouse who was physically or mentally not able to care for himself or herself, and lived with you for more than half the year.
3. A dependent who was physically or mentally not able to care for himself or herself and for whom an exemption can be claimed, and lived with you for more than half the year.

**Eligible and Ineligible Expenses for Dependent Care FSA Reimbursement (partial list):**

**Allowed for Reimbursement:**

- Fees for licensed day care or adult care facilities
- Before and after school care programs for dependents under age 13
- Amounts paid for services (including babysitters or nursery school) provided in or outside of your home
- Nanny expenses attributed to dependent care
- Nursery school (preschool) fees
- Summer Day Camp – primary purpose must be custodial care and not educational in nature
- Late pick-up fees

**NOT Allowed for Reimbursement:**

- Medical expenses
- Baby-sitter in or out of your home for reasons other than to enable you to work
- Activity fees/ educational supplies
- Food, clothing, and entertainment
- Transportation expenses
- Child support payments
- Kindergarten fees
- Overnight camp
- Late payment charges

For more information on Dependent Care FSA expenses, please see IRS Publication 503, or ask your employer for your Summary Plan Description (SPD).