



WHY DO I NEED...

A Dependent Care FSA?



WHAT IS IT?

A **Dependent Care Flexible Spending Account (Dependent Care FSA)** allows you to use tax-free dollars to pay for qualified child day care or adult day care expenses.



WHAT IS IT USED FOR?

The funds in a Dependent Care FSA are for out-of-pocket expenses like nursery school, child day care, before/after school care, and even care for adult dependents. You cannot use the funds in a Dependent Care FSA for any medical purchases or services for your family. For that, you will need to make a separate election for a Medical FSA.



HOW DO I SAVE MONEY?

A Dependent Care FSA gives you the power to set aside money, tax free, from your paycheck to put towards caring for your children and any adult dependents in your care.

TAX SAVINGS EXAMPLE

You spend \$5,000 on day care each year. By enrolling in a Dependent Care FSA, you could save upwards of \$1,500.*

EXAMPLE SAVINGS CALCULATION

$\$5,000 / \text{year} \times 30\% \text{ tax rate} = \$1,500 / \text{year}$
in savings*

CALCULATE YOUR SAVINGS

Annual Election x Tax Rate = Annual Savings

\$ _____ x _____ % = _____

*For illustration purposes only. Individual tax rates and maximum limits apply.



WHY DO I NEED THIS PLAN?

A Dependent Care FSA is a financial tool used to reduce the cost of child and adult dependent care. You set aside tax-free money from your paycheck to put toward services you are already paying for. Ultimately, a Dependent Care FSA is just one more savings tool. Additionally, if you have medical expenses for a dependent, you can consider enrolling in a Medical FSA with a separate election to receive tax-free savings on those expenses.

For more information, visit [BenefitResource.com](https://www.BenefitResource.com)