

Dependent Care Flexible Spending Account

The Dependent Day Care FSA allows you to pay for qualified dependent care expenses with pre-tax dollars. To be eligible, the expense must be incurred so that you (and your spouse-if applicable) may work or look for work.

What is the Maximum Contribution Amount?

You may contribute a maximum amount of \$5,000 per calendar year. That amount may be further reduced depending on your marital status and/or federal income tax filing.

If you are...	Maximum Amount
Single	\$5,000
Married and file a joint tax return	\$5,000
Married and file separate tax returns	\$2,500

Exceptions may apply to these maximum amounts if:

- you or your spouse earns less than \$5,000 each year
- your spouse is a full-time student for at least five months of the year
- your spouse is physically or mentally incapable of self-care.

Whose Expenses Are Eligible?

- Children under age 13 who qualify as dependents on your federal income tax return
- Spouse who is mentally or physically incapable of self-care and spends at least 8 hours a day in your home
- Relative or household member who:
 - ⇒ Qualifies as a dependent on your tax return
 - ⇒ Is mentally or physically incapable of self-care
 - ⇒ Spends at least 8 hours a day in your home, and
 - ⇒ Depends on you for more than half of his or her support.

The expenses that you incur for the care of eligible dependents must allow you to work or look for work. If you are married, your spouse must also be either employed, a full-time student (at least 5 months per year) or be incapable of self-care to use the account.

What is Eligible, What is Not?

Eligible dependent care expenses may include:

- Care provided inside or outside your home by anyone other than your spouse, a person you list as your dependent for income tax purposes, or one of your children under age 19
- A dependent care center or child care center (if the center cares for more than six children, it must comply with all applicable state and local regulations)
- A housekeeper, au pair or nanny whose services include providing care for the qualified dependent
- Summer Camps as long as long as they are not overnight.

Ineligible dependent care expenses may include:

- Care not necessary for you and your spouse to work or look for work, or for your spouse to attend school full time (unless your spouse is incapable of self-care)
- Overnight camps
- Transportation
- Around-the-clock convalescent nursing home costs for an elderly parent or disabled spouse
- Educational fees for a child
- Your dependent's food, clothing, education or entertainment expenses.

How to Request Reimbursement

Claims for reimbursement must be accompanied by a Request for Reimbursement Form and substantiation from a third party that the service was provided. Such as a receipt or statement from the provider. You will be reimbursed for the amount of your eligible expenses, up to the remaining amount contributed to date. If your remaining balance is insufficient to cover the entire amount of your claim, the remainder will be reimbursed when deposits to your account are sufficient to cover the expense.

Submit a signed claim form, along with supporting documentation to:

Benefit Administration Company
P.O. Box 550
Seattle, WA 98111-0550

By FAX: (206) 682-8016
By email: flexcs@baclink.com